



Amendment No. 2  
to  
Contract No. PA170000076  
for  
Consultant for the City of Austin 457 Deferred Compensation Plan  
between  
Hyas Group LLC  
and the  
City of Austin

- 1.0 The City hereby exercises this extension option for the subject contract. This extension option will be November 1, 2020 through October 31, 2021. Two options will remain.
- 2.0 The total contract amount is increased by \$43,260.00 by this extension period. The total contract authorization is recapped below:

Action	Action Amount	Total Contract Amount
Initial Term: 11/01/2017 – 10/31/2020	\$127,260.00	\$127,260.00
Amendment No. 1: Update Designation of Key Personnel 12/20/2017	\$0.00	\$127,260.00
Amendment No. 2: Option 1 – Extension 11/01/2020 – 10/31/2021	\$43,260.00	\$170,520.00

- 3.0 MBE/WBE goals do not apply to this contract.
- 4.0 By signing this Amendment, the Contractor certifies that the vendor and its principals are not currently suspended or debarred from doing business with the Federal Government, as indicated by the GSA List of Parties Excluded from Federal Procurement and Non-Procurement Programs, the State of Texas, or the City of Austin.
- 5.0 All other terms and conditions remain the same.

BY THE SIGNATURES affixed below, this amendment is hereby incorporated into and made a part of the above-referenced contract.

Sign/Date:  10/12/2020

Printed Name: Dale Parker  
Authorized Representative

Hyas Group LLC  
108 NW 9th Avenue, Suite #203  
Portland, Oregon 97209  
971-634-1500

Sign/Date: JAMES T  
HOWARD  
Digitally signed by JAMES T HOWARD  
DN: cn=JAMES T HOWARD, o=CITY OF  
AUSTIN, ou=FINANCE,  
email=JIM.HOWARD@AUSTINTEXAS.GOV,  
c=US  
Date: 2020.10.12 16:09:22 -05'00'

Cyrenthia Ellis  
Procurement Manager  
City of Austin  
Purchasing Office  
124 W. 8<sup>th</sup> Street, Ste. 310  
Austin, Texas 78701



Amendment No. 1  
to  
Contract No. MA 7400 PA170000076  
for  
Consultant for the City of Austin 457 Deferred Compensation Plan  
between  
Hyas Group LLC  
and the  
City of Austin, Texas

1.0 The above referenced contract is hereby amended to change 1.5.2 Designation of Key Personnel to read as follows:

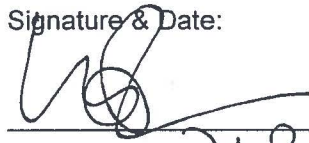
The Contractor's Contract Manager for this engagement shall be Dale Parker Phone: (971) 634-1502, Email Address: [dparker@hyasgroup.com](mailto:dparker@hyasgroup.com). The City's point of contact shall be Gail Ray, Phone: (512) 974-7884, Email Address: [Gail.Ray@austintexas.gov](mailto:Gail.Ray@austintexas.gov). The City and the Contractor resolve to keep the same key personnel assigned to this engagement throughout its term. In the event that it becomes necessary for the Contractor to replace any key personnel, the replacement will be an individual having equivalent experience and competence in executing projects such as the one described herein. Additionally, the Contractor will promptly notify the City Contract Manager and obtain approval for the replacement. Such approval shall not be unreasonably withheld.

2.0 By signing this Amendment the Contractor certifies that the Contractor and its principals are not currently suspended or debarred from doing business with the Federal Government, as indicated by the General Services Administration (GSA) List of Parties Excluded from Federal Procurement and Non-Procurement Programs, the State of Texas, or the City of Austin.

3.0 ALL OTHER TERMS AND CONDITIONS REMAIN THE SAME.

BY THE SIGNATURE(S) affixed below, this Amendment is hereby incorporated and made a part of the above referenced contract.

Signature & Date:



Printed Name: Dale Parker

Authorized Representative

Dale Parker  
Hyas Group LLC  
108 NW 9<sup>th</sup> Avenue, Suite #203  
Portland, Oregon 97209

Signature & Date:



Liz Lock, Procurement Specialist II  
City of Austin Purchasing Office

**CONTRACT BETWEEN THE CITY OF AUSTIN ("City")  
AND  
Hyas Group LLC ("Contractor")  
for  
Consultant for the City of Austin 457 Deferred Compensation Plan  
Contract # MA 7400 PA170000076**

The City accepts the Contractor's Offer (as referenced in Section 1.1.3 below) for the above requirement and enters into the following Contract.

This Contract is between Hyas Group LLC having offices at 108 NW 9<sup>th</sup> Avenue, Suite #203, Portland, Oregon 97209 and the City, a home-rule municipality incorporated by the State of Texas, and is effective as of November 1, 2017 ("Effective Date").

Capitalized terms used but not defined herein have the meanings given them in Solicitation Number RFP 7400 SMB0305.

**1.1 This Contract is composed of the following documents:**

- 1.1.1 This document
- 1.1.2 The City's Solicitation, Request For Proposals, RFP 7400 SMB0305 including all documents incorporated by reference
- 1.1.3 Hyas Group LLC's Best and Final Offer, dated July 26, 2017
- 1.1.4 Hyas Group LLC's Offer, dated May 24, 2017, including subsequent clarifications

**1.2 Order of Precedence.** Any inconsistency or conflict in the Contract documents shall be resolved by giving precedence in the following order:

- 1.2.1 This document
- 1.2.2 The City's Solicitation as referenced in Section 1.1.2, including all documents incorporated by reference
- 1.2.3 The Contractor's Best and Final Offer as referenced in Section 1.1.3
- 1.2.4 The Contractor's Offer as referenced in Section 1.1.4, including subsequent clarifications.

**1.3 Term of Contract.** The Contract will be in effect for an initial term of 36 months and may be extended thereafter for up to three 12 month extension options, subject to the approval of the Contractor and the City Purchasing Officer or his designee. See the Term of Contract provision in Section 0400 for additional Contract requirements.

**1.4 Compensation.** The Contractor shall be paid a flat annual fee of \$42,000 for consulting services for the first 24 months of the initial Contract term; the Contractor shall be paid a flat annual fee of \$43,260 for consulting services for the third year of the initial Contract term, for a total not to exceed amount of \$127,260 for the initial term.

1.4.1 **Scope of Work Development.** At the City's written request, the Contractor shall perform Scope of Work Development as described in the Solicitation and Offer for a fee of \$34,000.

**1.5 Clarifications and Additional Agreements**

**1.5.1 Invoices and Payment**



1.5.1.1 Invoices shall contain a unique invoice number and the information required in Section 0300, paragraph 12, entitled "Invoices." Invoices received without all required information cannot be processed and will be returned to the vendor.

Invoices shall be mailed to the below address:

	City of Austin
Department	Treasury Office
Attn:	Accounts Payable
Address	P.O. Box 2106
City, State Zip Code	Austin, TX 78768

1.5.1.2 The Contractor agrees to accept payment by either check or Electronic Funds Transfer (EFT) for all goods and/or services provided under the Contract. The Contractor shall factor the cost of processing credit card payments into the Offer. There shall be no additional charges, surcharges, or penalties to the City for payments made by credit card.

1.5.1.3 The Contractor may invoice the City in four installments per year for consulting services and two installments for Scope of Work Development or as otherwise agreed upon by the parties.

1.5.2 **Designation of Key Personnel.** The Contractor's Contract Manager for this engagement shall be Dale Parker Phone: (971) 634-1502, Email Address: dparker@hyasgroup.com. The City's point of contact for contractual matters shall be Gail Ray, Phone: (512) 974-7884, Email Address: Gail.Ray@austintexas.gov. The City's point of contact for services provided under the Contract shall be the Deferred Compensation Committee Chair, who is currently A.J. Padilla, Phone (858) 273-4394, Email Address: Arthur.Padilla@austintexas.gov. The City and the Contractor resolve to keep the same key personnel assigned to this engagement throughout its term. In the event that it becomes necessary for the Contractor to replace any key personnel, the replacement will be an individual having equivalent experience and competence in executing projects such as the one described herein. Additionally, the Contractor will promptly notify the City Contract Manager and obtain approval for the replacement. Such approval shall not be unreasonably withheld.

1.5.3 The City accepts the service guarantees offered by the Contractor.

1.5.4 The City agrees to a 3% cost of living increase on the flat fee for consulting services beginning in year 3 of the Contract.

1.5.5 The City agrees to the Contractor's "Exceptions To The Proposal" stated in Section 6 of the Offer with the following paragraphs deleted:

- 1.5.5.1 Confidentiality
- 1.5.5.2 No Waiver
- 1.5.5.3 Severability

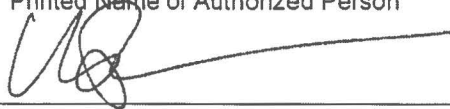
This Contract (including any Exhibits) constitutes the entire agreement of the parties regarding the subject matter of this Contract and supersedes all prior and contemporaneous agreements and understandings, whether written or oral, relating to such subject matter. This Contract may be altered, amended, or modified only by a written instrument signed by the duly authorized representatives of both parties.

In witness whereof, the parties have caused a duly authorized representative to execute this Contract on the date set forth below.

HYAS GROUP LLC

Dale Parker

Printed Name of Authorized Person



Signature

Managing Partner

Title:

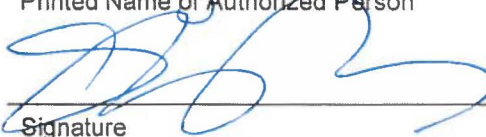
October 11, 2017

Date:

CITY OF AUSTIN

Sandy Brandt

Printed Name of Authorized Person



Signature

Procurement Specialist IV

Title:

10/19/17

Date:

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By submitting an Offer in response to the Solicitation, the Contractor agrees that the Contract shall be governed by the following terms and conditions. Unless otherwise specified in the Contract, Sections 3, 4, 5, 6, 7, 8, 20, 21, and 36 shall apply only to a Solicitation to purchase Goods, and Sections 9, 10, 11 and 22 shall apply only to a Solicitation to purchase Services to be performed principally at the City's premises or on public rights-of-way.

1. **CONTRACTOR'S OBLIGATIONS**. The Contractor shall fully and timely provide all Deliverables described in the Solicitation and in the Contractor's Offer in strict accordance with the terms, covenants, and conditions of the Contract and all applicable Federal, State, and local laws, rules, and regulations.
2. **EFFECTIVE DATE/TERM**. Unless otherwise specified in the Solicitation, this Contract shall be effective as of the date the contract is signed by the City, and shall continue in effect until all obligations are performed in accordance with the Contract.
3. **CONTRACTOR TO PACKAGE DELIVERABLES**: The Contractor will package Deliverables in accordance with good commercial practice and shall include a packing list showing the description of each item, the quantity and unit price. Unless otherwise provided in the Specifications or Supplemental Terms and Conditions, each shipping container shall be clearly and permanently marked as follows: (a) The Contractor's name and address, (b) the City's name, address and purchase order or purchase release number and the price agreement number if applicable, (c) Container number and total number of containers, e.g. box 1 of 4 boxes, and (d) the number of the container bearing the packing list. The Contractor shall bear cost of packaging. Deliverables shall be suitably packed to secure lowest transportation costs and to conform with requirements of common carriers and any applicable specifications. The City's count or weight shall be final and conclusive on shipments not accompanied by packing lists.
4. **SHIPMENT UNDER RESERVATION PROHIBITED**: The Contractor is not authorized to ship the Deliverables under reservation and no tender of a bill of lading will operate as a tender of Deliverables.
5. **TITLE & RISK OF LOSS**: Title to and risk of loss of the Deliverables shall pass to the City only when the City actually receives and accepts the Deliverables.
6. **DELIVERY TERMS AND TRANSPORTATION CHARGES**: Deliverables shall be shipped F.O.B. point of delivery unless otherwise specified in the Supplemental Terms and Conditions. Unless otherwise stated in the Offer, the Contractor's price shall be deemed to include all delivery and transportation charges. The City shall have the right to designate what method of transportation shall be used to ship the Deliverables. The place of delivery shall be that set forth in the block of the purchase order or purchase release entitled "Receiving Agency".
7. **RIGHT OF INSPECTION AND REJECTION**: The City expressly reserves all rights under law, including, but not limited to the Uniform Commercial Code, to inspect the Deliverables at delivery before accepting them, and to reject defective or non-conforming Deliverables. If the City has the right to inspect the Contractor's, or the Contractor's Subcontractor's, facilities, or the Deliverables at the Contractor's, or the Contractor's Subcontractor's, premises, the Contractor shall furnish, or cause to be furnished, without additional charge, all reasonable facilities and assistance to the City to facilitate such inspection.
8. **NO REPLACEMENT OF DEFECTIVE TENDER**: Every tender or delivery of Deliverables must fully comply with all provisions of the Contract as to time of delivery, quality, and quantity. Any non-complying tender shall constitute a breach and the Contractor shall not have the right to substitute a conforming tender; provided, where the time for performance has not yet expired, the Contractor may notify the City of the intention to cure and may then make a conforming tender within the time allotted in the contract.
9. **PLACE AND CONDITION OF WORK**: The City shall provide the Contractor access to the sites where the Contractor is to perform the services as required in order for the Contractor to perform the services in a timely and efficient manner, in accordance with and subject to the applicable security laws, rules, and regulations. The Contractor acknowledges that it has satisfied itself as to the nature of the City's service requirements and specifications, the location and essential characteristics of the work sites, the quality and quantity of materials, equipment, labor and facilities necessary to perform the services, and any other condition or state of fact which could in any way affect performance of the Contractor's obligations under the contract. The Contractor hereby releases and holds the City

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harmless from and against any liability or claim for damages of any kind or nature if the actual site or service conditions differ from expected conditions.

**10. WORKFORCE**

- A. The Contractor shall employ only orderly and competent workers, skilled in the performance of the services which they will perform under the Contract.
- B. The Contractor, its employees, subcontractors, and subcontractor's employees may not while engaged in participating or responding to a solicitation or while in the course and scope of delivering goods or services under a City of Austin contract or on the City's property .
  - i. use or possess a firearm, including a concealed handgun that is licensed under state law, except as required by the terms of the contract; or
  - ii. use or possess alcoholic or other intoxicating beverages, illegal drugs or controlled substances, nor may such workers be intoxicated, or under the influence of alcohol or drugs, on the job.
- C. If the City or the City's representative notifies the Contractor that any worker is incompetent, disorderly or disobedient, has knowingly or repeatedly violated safety regulations, has possessed any firearms, or has possessed or was under the influence of alcohol or drugs on the job, the Contractor shall immediately remove such worker from Contract services, and may not employ such worker again on Contract services without the City's prior written consent.

- 11. COMPLIANCE WITH HEALTH, SAFETY, AND ENVIRONMENTAL REGULATIONS:** The Contractor, its Subcontractors, and their respective employees, shall comply fully with all applicable federal, state, and local health, safety, and environmental laws, ordinances, rules and regulations in the performance of the services, including but not limited to those promulgated by the City and by the Occupational Safety and Health Administration (OSHA). In case of conflict, the most stringent safety requirement shall govern. The Contractor shall indemnify and hold the City harmless from and against all claims, demands, suits, actions, judgments, fines, penalties and liability of every kind arising from the breach of the Contractor's obligations under this paragraph.

**12. INVOICES:**

- A. The Contractor shall submit separate invoices in duplicate on each purchase order or purchase release after each delivery. If partial shipments or deliveries are authorized by the City, a separate invoice must be sent for each shipment or delivery made.
- B. **Proper Invoices must include a unique invoice number, the purchase order or delivery order number and the master agreement number if applicable, the Department's Name, and the name of the point of contact for the Department.** Invoices shall be itemized and transportation charges, if any, shall be listed separately. A copy of the bill of lading and the freight waybill, when applicable, shall be attached to the invoice. The Contractor's name and, if applicable, the tax identification number on the invoice must exactly match the information in the Vendor's registration with the City. Unless otherwise instructed in writing, the City may rely on the remittance address specified on the Contractor's invoice.
- C. Invoices for labor shall include a copy of all time-sheets with trade labor rate and Deliverables order number clearly identified. Invoices shall also include a tabulation of work-hours at the appropriate rates and grouped by work order number. Time billed for labor shall be limited to hours actually worked at the work site.
- D. Unless otherwise expressly authorized in the Contract, the Contractor shall pass through all Subcontract and other authorized expenses at actual cost without markup.
- E. Federal excise taxes, State taxes, or City sales taxes must not be included in the invoiced amount. The City will furnish a tax exemption certificate upon request.

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**13. PAYMENT:**

- A. All proper invoices received by the City will be paid within thirty (30) calendar days of the City's receipt of the Deliverables or of the invoice, whichever is later.
- B. **If payment is not timely made, (per paragraph A), interest shall accrue on the unpaid balance at the lesser of the rate specified in Texas Government Code Section 2251.025 or the maximum lawful rate; except, if payment is not timely made for a reason for which the City may withhold payment hereunder, interest shall not accrue until ten (10) calendar days after the grounds for withholding payment have been resolved.**
- C. If partial shipments or deliveries are authorized by the City, the Contractor will be paid for the partial shipment or delivery, as stated above, provided that the invoice matches the shipment or delivery.
- D. The City may withhold or set off the entire payment or part of any payment otherwise due the Contractor to such extent as may be necessary on account of:
  - i. delivery of defective or non-conforming Deliverables by the Contractor;
  - ii. third party claims, which are not covered by the insurance which the Contractor is required to provide, are filed or reasonable evidence indicating probable filing of such claims;
  - iii. failure of the Contractor to pay Subcontractors, or for labor, materials or equipment;
  - iv. damage to the property of the City or the City's agents, employees or contractors, which is not covered by insurance required to be provided by the Contractor;
  - v. reasonable evidence that the Contractor's obligations will not be completed within the time specified in the Contract, and that the unpaid balance would not be adequate to cover actual or liquidated damages for the anticipated delay;
  - vi. failure of the Contractor to submit proper invoices with all required attachments and supporting documentation; or
  - vii. failure of the Contractor to comply with any material provision of the Contract Documents.
- E. Notice is hereby given of Article VIII, Section 1 of the Austin City Charter which prohibits the payment of any money to any person, firm or corporation who is in arrears to the City for taxes, and of §2-8-3 of the Austin City Code concerning the right of the City to offset indebtedness owed the City.
- F. Payment will be made by check unless the parties mutually agree to payment by credit card or electronic transfer of funds. The Contractor agrees that there shall be no additional charges, surcharges, or penalties to the City for payments made by credit card or electronic funds transfer.
- G. The awarding or continuation of this contract is dependent upon the availability of funding. The City's payment obligations are payable only and solely from funds Appropriated and available for this contract. The absence of Appropriated or other lawfully available funds shall render the Contract null and void to the extent funds are not Appropriated or available and any Deliverables delivered but unpaid shall be returned to the Contractor. The City shall provide the Contractor written notice of the failure of the City to make an adequate Appropriation for any fiscal year to pay the amounts due under the Contract, or the reduction of any Appropriation to an amount insufficient to permit the City to pay its obligations under the Contract. In the event of non or inadequate appropriation of funds, there will be no penalty nor removal fees charged to the City.

- 14. TRAVEL EXPENSES:** All travel, lodging and per diem expenses in connection with the Contract for which reimbursement may be claimed by the Contractor under the terms of the Solicitation will be reviewed against the City's Travel Policy as published and maintained by the City's Controller's Office and the Current United States General Services Administration Domestic Per Diem Rates (the "Rates") as published and maintained on the Internet at:

<http://www.gsa.gov/portal/category/21287>



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No amounts in excess of the Travel Policy or Rates shall be paid. All invoices must be accompanied by copies of detailed itemized receipts (e.g. hotel bills, airline tickets). No reimbursement will be made for expenses not actually incurred. Airline fares in excess of coach or economy will not be reimbursed. Mileage charges may not exceed the amount permitted as a deduction in any year under the Internal Revenue Code or Regulations.

**15. FINAL PAYMENT AND CLOSE-OUT:**

- A. If an MBE/WBE Program Compliance Plan is required by the Solicitation, and the Contractor has identified Subcontractors, the Contractor is required to submit a Contract Close-Out MBE/WBE Compliance Report to the Project manager or Contract manager no later than the 15th calendar day after completion of all work under the contract. Final payment, retainage, or both may be withheld if the Contractor is not in compliance with the requirements of the Compliance Plan as accepted by the City.
- B. The making and acceptance of final payment will constitute:
  - i. a waiver of all claims by the City against the Contractor, except claims (1) which have been previously asserted in writing and not yet settled, (2) arising from defective work appearing after final inspection, (3) arising from failure of the Contractor to comply with the Contract or the terms of any warranty specified herein, (4) arising from the Contractor's continuing obligations under the Contract, including but not limited to indemnity and warranty obligations, or (5) arising under the City's right to audit; and
  - ii. a waiver of all claims by the Contractor against the City other than those previously asserted in writing and not yet settled.

**16. SPECIAL TOOLS & TEST EQUIPMENT:** If the price stated on the Offer includes the cost of any special tooling or special test equipment fabricated or required by the Contractor for the purpose of filling this order, such special tooling equipment and any process sheets related thereto shall become the property of the City and shall be identified by the Contractor as such.

**17. AUDITS and RECORDS:**

- A. The Contractor agrees that the representatives of the Office of the City Auditor or other authorized representatives of the City shall have access to, and the right to audit, examine, or reproduce, any and all records of the Contractor related to the performance under this Contract. The Contractor shall retain all such records for a period of three (3) years after final payment on this Contract or until all audit and litigation matters that the City has brought to the attention of the Contractor are resolved, whichever is longer. The Contractor agrees to refund to the City any overpayments disclosed by any such audit.
- B. Records Retention:
  - i. Contractor is subject to City Code chapter 2-11 (Records Management), and as it may subsequently be amended. For purposes of this subsection, a Record means all books, accounts, reports, files, and other data recorded or created by a Contractor in fulfillment of the Contract whether in digital or physical format, except a record specifically relating to the Contractor's internal administration.
  - ii. All Records are the property of the City. The Contractor may not dispose of or destroy a Record without City authorization and shall deliver the Records, in all requested formats and media, along with all finding aids and metadata, to the City at no cost when requested by the City
  - iii. The Contractor shall retain all Records for a period of three (3) years after final payment on this Contract or until all audit and litigation matters that the City has brought to the attention of the Contractor are resolved, whichever is longer.
- C. The Contractor shall include sections A and B above in all subcontractor agreements entered into in connection with this Contract.

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**18. SUBCONTRACTORS:**

- A. If the Contractor identified Subcontractors in an MBE/WBE Program Compliance Plan or a No Goals Utilization Plan the Contractor shall comply with the provisions of Chapters 2-9A, 2-9B, 2-9C, and 2-9D, as applicable, of the Austin City Code and the terms of the Compliance Plan or Utilization Plan as approved by the City (the "Plan"). The Contractor shall not initially employ any Subcontractor except as provided in the Contractor's Plan. The Contractor shall not substitute any Subcontractor identified in the Plan, unless the substitute has been accepted by the City in writing in accordance with the provisions of Chapters 2-9A, 2-9B, 2-9C and 2-9D, as applicable. No acceptance by the City of any Subcontractor shall constitute a waiver of any rights or remedies of the City with respect to defective Deliverables provided by a Subcontractor. If a Plan has been approved, the Contractor is additionally required to submit a monthly Subcontract Awards and Expenditures Report to the Contract Manager and the Purchasing Office Contract Compliance Manager no later than the tenth calendar day of each month.
- B. Work performed for the Contractor by a Subcontractor shall be pursuant to a written contract between the Contractor and Subcontractor. The terms of the subcontract may not conflict with the terms of the Contract, and shall contain provisions that:
  - i. require that all Deliverables to be provided by the Subcontractor be provided in strict accordance with the provisions, specifications and terms of the Contract;
  - ii. prohibit the Subcontractor from further subcontracting any portion of the Contract without the prior written consent of the City and the Contractor. The City may require, as a condition to such further subcontracting, that the Subcontractor post a payment bond in form, substance and amount acceptable to the City;
  - iii. require Subcontractors to submit all invoices and applications for payments, including any claims for additional payments, damages or otherwise, to the Contractor in sufficient time to enable the Contractor to include same with its invoice or application for payment to the City in accordance with the terms of the Contract;
  - iv. require that all Subcontractors obtain and maintain, throughout the term of their contract, insurance in the type and amounts specified for the Contractor, with the City being a named insured as its interest shall appear; and
  - v. require that the Subcontractor indemnify and hold the City harmless to the same extent as the Contractor is required to indemnify the City.
- C. The Contractor shall be fully responsible to the City for all acts and omissions of the Subcontractors just as the Contractor is responsible for the Contractor's own acts and omissions. Nothing in the Contract shall create for the benefit of any such Subcontractor any contractual relationship between the City and any such Subcontractor, nor shall it create any obligation on the part of the City to pay or to see to the payment of any moneys due any such Subcontractor except as may otherwise be required by law.
- D. The Contractor shall pay each Subcontractor its appropriate share of payments made to the Contractor not later than ten (10) calendar days after receipt of payment from the City.

**19. WARRANTY-PRICE:**

- A. The Contractor warrants the prices quoted in the Offer are no higher than the Contractor's current prices on orders by others for like Deliverables under similar terms of purchase.
- B. The Contractor certifies that the prices in the Offer have been arrived at independently without consultation, communication, or agreement for the purpose of restricting competition, as to any matter relating to such fees with any other firm or with any competitor.
- C. In addition to any other remedy available, the City may deduct from any amounts owed to the Contractor, or otherwise recover, any amounts paid for items in excess of the Contractor's current prices on orders by others for like Deliverables under similar terms of purchase.

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20. **WARRANTY – TITLE:** The Contractor warrants that it has good and indefeasible title to all Deliverables furnished under the Contract, and that the Deliverables are free and clear of all liens, claims, security interests and encumbrances. The Contractor shall indemnify and hold the City harmless from and against all adverse title claims to the Deliverables.
21. **WARRANTY – DELIVERABLES:** The Contractor warrants and represents that all Deliverables sold the City under the Contract shall be free from defects in design, workmanship or manufacture, and conform in all material respects to the specifications, drawings, and descriptions in the Solicitation, to any samples furnished by the Contractor, to the terms, covenants and conditions of the Contract, and to all applicable State, Federal or local laws, rules, and regulations, and industry codes and standards. Unless otherwise stated in the Solicitation, the Deliverables shall be new or recycled merchandise, and not used or reconditioned.
- A. Recycled Deliverables shall be clearly identified as such.
  - B. The Contractor may not limit, exclude or disclaim the foregoing warranty or any warranty implied by law; and any attempt to do so shall be without force or effect.
  - C. Unless otherwise specified in the Contract, the warranty period shall be at least one year from the date of acceptance of the Deliverables or from the date of acceptance of any replacement Deliverables. If during the warranty period, one or more of the above warranties are breached, the Contractor shall promptly upon receipt of demand either repair the non-conforming Deliverables, or replace the non-conforming Deliverables with fully conforming Deliverables, at the City's option and at no additional cost to the City. All costs incidental to such repair or replacement, including but not limited to, any packaging and shipping costs, shall be borne exclusively by the Contractor. The City shall endeavor to give the Contractor written notice of the breach of warranty within thirty (30) calendar days of discovery of the breach of warranty, but failure to give timely notice shall not impair the City's rights under this section.
  - D. If the Contractor is unable or unwilling to repair or replace defective or non-conforming Deliverables as required by the City, then in addition to any other available remedy, the City may reduce the quantity of Deliverables it may be required to purchase under the Contract from the Contractor, and purchase conforming Deliverables from other sources. In such event, the Contractor shall pay to the City upon demand the increased cost, if any, incurred by the City to procure such Deliverables from another source.
  - E. If the Contractor is not the manufacturer, and the Deliverables are covered by a separate manufacturer's warranty, the Contractor shall transfer and assign such manufacturer's warranty to the City. If for any reason the manufacturer's warranty cannot be fully transferred to the City, the Contractor shall assist and cooperate with the City to the fullest extent to enforce such manufacturer's warranty for the benefit of the City.
22. **WARRANTY – SERVICES:** The Contractor warrants and represents that all services to be provided the City under the Contract will be fully and timely performed in a good and workmanlike manner in accordance with generally accepted industry standards and practices, the terms, conditions, and covenants of the Contract, and all applicable Federal, State and local laws, rules or regulations.
- A. The Contractor may not limit, exclude or disclaim the foregoing warranty or any warranty implied by law, and any attempt to do so shall be without force or effect.
  - B. Unless otherwise specified in the Contract, the warranty period shall be at least one year from the Acceptance Date. If during the warranty period, one or more of the above warranties are breached, the Contractor shall promptly upon receipt of demand perform the services again in accordance with above standard at no additional cost to the City. All costs incidental to such additional performance shall be borne by the Contractor. The City shall endeavor to give the Contractor written notice of the breach of warranty within thirty (30) calendar days of discovery of the breach warranty, but failure to give timely notice shall not impair the City's rights under this section.
  - C. If the Contractor is unable or unwilling to perform its services in accordance with the above standard as required by the City, then in addition to any other available remedy, the City may reduce the amount of services it may be

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required to purchase under the Contract from the Contractor, and purchase conforming services from other sources. In such event, the Contractor shall pay to the City upon demand the increased cost, if any, incurred by the City to procure such services from another source.

23. **ACCEPTANCE OF INCOMPLETE OR NON-CONFORMING DELIVERABLES:** If, instead of requiring immediate correction or removal and replacement of defective or non-conforming Deliverables, the City prefers to accept it, the City may do so. The Contractor shall pay all claims, costs, losses and damages attributable to the City's evaluation of and determination to accept such defective or non-conforming Deliverables. If any such acceptance occurs prior to final payment, the City may deduct such amounts as are necessary to compensate the City for the diminished value of the defective or non-conforming Deliverables. If the acceptance occurs after final payment, such amount will be refunded to the City by the Contractor.
24. **RIGHT TO ASSURANCE:** Whenever one party to the Contract in good faith has reason to question the other party's intent to perform, demand may be made to the other party for written assurance of the intent to perform. In the event that no assurance is given within the time specified after demand is made, the demanding party may treat this failure as an anticipatory repudiation of the Contract.
25. **STOP WORK NOTICE:** The City may issue an immediate Stop Work Notice in the event the Contractor is observed performing in a manner that is in violation of Federal, State, or local guidelines, or in a manner that is determined by the City to be unsafe to either life or property. Upon notification, the Contractor will cease all work until notified by the City that the violation or unsafe condition has been corrected. The Contractor shall be liable for all costs incurred by the City as a result of the issuance of such Stop Work Notice.
26. **DEFAULT:** The Contractor shall be in default under the Contract if the Contractor (a) fails to fully, timely and faithfully perform any of its material obligations under the Contract, (b) fails to provide adequate assurance of performance under Paragraph 24, (c) becomes insolvent or seeks relief under the bankruptcy laws of the United States or (d) makes a material misrepresentation in Contractor's Offer, or in any report or deliverable required to be submitted by the Contractor to the City.
27. **TERMINATION FOR CAUSE:** In the event of a default by the Contractor, the City shall have the right to terminate the Contract for cause, by written notice effective ten (10) calendar days, unless otherwise specified, after the date of such notice, unless the Contractor, within such ten (10) day period, cures such default, or provides evidence sufficient to prove to the City's reasonable satisfaction that such default does not, in fact, exist. The City may place Contractor on probation for a specified period of time within which the Contractor must correct any non-compliance issues. Probation shall not normally be for a period of more than nine (9) months, however, it may be for a longer period, not to exceed one (1) year depending on the circumstances. If the City determines the Contractor has failed to perform satisfactorily during the probation period, the City may proceed with suspension. In the event of a default by the Contractor, the City may suspend or debar the Contractor in accordance with the "City of Austin Purchasing Office Probation, Suspension and Debarment Rules for Vendors" and remove the Contractor from the City's vendor list for up to five (5) years and any Offer submitted by the Contractor may be disqualified for up to five (5) years. In addition to any other remedy available under law or in equity, the City shall be entitled to recover all actual damages, costs, losses and expenses, incurred by the City as a result of the Contractor's default, including, without limitation, cost of cover, reasonable attorneys' fees, court costs, and prejudgment and post-judgment interest at the maximum lawful rate. All rights and remedies under the Contract are cumulative and are not exclusive of any other right or remedy provided by law.
28. **TERMINATION WITHOUT CAUSE:** The City shall have the right to terminate the Contract, in whole or in part, without cause any time upon thirty (30) calendar days' prior written notice. Upon receipt of a notice of termination, the Contractor shall promptly cease all further work pursuant to the Contract, with such exceptions, if any, specified in the notice of termination. The City shall pay the Contractor, to the extent of funds Appropriated or otherwise legally available for such purposes, for all goods delivered and services performed and obligations incurred prior to the date of termination in accordance with the terms hereof.
29. **FRAUD:** Fraudulent statements by the Contractor on any Offer or in any report or deliverable required to be submitted by the Contractor to the City shall be grounds for the termination of the Contract for cause by the City and may result in legal action.

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**30. DELAYS:**

- A. The City may delay scheduled delivery or other due dates by written notice to the Contractor if the City deems it is in its best interest. If such delay causes an increase in the cost of the work under the Contract, the City and the Contractor shall negotiate an equitable adjustment for costs incurred by the Contractor in the Contract price and execute an amendment to the Contract. The Contractor must assert its right to an adjustment within thirty (30) calendar days from the date of receipt of the notice of delay. Failure to agree on any adjusted price shall be handled under the Dispute Resolution process specified in paragraph 48. However, nothing in this provision shall excuse the Contractor from delaying the delivery as notified.
- B. Neither party shall be liable for any default or delay in the performance of its obligations under this Contract if, while and to the extent such default or delay is caused by acts of God, fire, riots, civil commotion, labor disruptions, sabotage, sovereign conduct, or any other cause beyond the reasonable control of such Party. In the event of default or delay in contract performance due to any of the foregoing causes, then the time for completion of the services will be extended; provided, however, in such an event, a conference will be held within three (3) business days to establish a mutually agreeable period of time reasonably necessary to overcome the effect of such failure to perform.

**31. INDEMNITY:**

- A. Definitions:
  - i. "Indemnified Claims" shall include any and all claims, demands, suits, causes of action, judgments and liability of every character, type or description, including all reasonable costs and expenses of litigation, mediation or other alternate dispute resolution mechanism, including attorney and other professional fees for:
    - (1) damage to or loss of the property of any person (including, but not limited to the City, the Contractor, their respective agents, officers, employees and subcontractors; the officers, agents, and employees of such subcontractors; and third parties); and/or
    - (2) death, bodily injury, illness, disease, worker's compensation, loss of services, or loss of income or wages to any person (including but not limited to the agents, officers and employees of the City, the Contractor, the Contractor's subcontractors, and third parties),
  - ii. "Fault" shall include the sale of defective or non-conforming Deliverables, negligence, willful misconduct, or a breach of any legally imposed strict liability standard.
- B. **THE CONTRACTOR SHALL DEFEND (AT THE OPTION OF THE CITY), INDEMNIFY, AND HOLD THE CITY, ITS SUCCESSORS, ASSIGNS, OFFICERS, EMPLOYEES AND ELECTED OFFICIALS HARMLESS FROM AND AGAINST ALL INDEMNIFIED CLAIMS DIRECTLY ARISING OUT OF, INCIDENT TO, CONCERNING OR RESULTING FROM THE FAULT OF THE CONTRACTOR, OR THE CONTRACTOR'S AGENTS, EMPLOYEES OR SUBCONTRACTORS, IN THE PERFORMANCE OF THE CONTRACTOR'S OBLIGATIONS UNDER THE CONTRACT. NOTHING HEREIN SHALL BE DEEMED TO LIMIT THE RIGHTS OF THE CITY OR THE CONTRACTOR (INCLUDING, BUT NOT LIMITED TO, THE RIGHT TO SEEK CONTRIBUTION) AGAINST ANY THIRD PARTY WHO MAY BE LIABLE FOR AN INDEMNIFIED CLAIM.**

**32. INSURANCE:** (reference Section 0400 for specific coverage requirements). The following insurance requirement applies. (Revised March 2013).

- A. General Requirements.
  - i. The Contractor shall at a minimum carry insurance in the types and amounts indicated in Section 0400, Supplemental Purchase Provisions, for the duration of the Contract, including extension options and hold over periods, and during any warranty period.
  - ii. The Contractor shall provide Certificates of Insurance with the coverages and endorsements required in Section 0400, Supplemental Purchase Provisions, to the City as verification of coverage prior to contract execution and within fourteen (14) calendar days after written request from the



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City. Failure to provide the required Certificate of Insurance may subject the Offer to disqualification from consideration for award. The Contractor must also forward a Certificate of Insurance to the City whenever a previously identified policy period has expired, or an extension option or hold over period is exercised, as verification of continuing coverage.

- iii. The Contractor shall not commence work until the required insurance is obtained and until such insurance has been reviewed by the City. Approval of insurance by the City shall not relieve or decrease the liability of the Contractor hereunder and shall not be construed to be a limitation of liability on the part of the Contractor.
- iv. The City may request that the Contractor submit certificates of insurance to the City for all subcontractors prior to the subcontractors commencing work on the project.
- v. The Contractor's and all subcontractors' insurance coverage shall be written by companies licensed to do business in the State of Texas at the time the policies are issued and shall be written by companies with A.M. Best ratings of B+VII or better.
- vi. The "other" insurance clause shall not apply to the City where the City is an additional insured shown on any policy. It is intended that policies required in the Contract, covering both the City and the Contractor, shall be considered primary coverage as applicable.
- vii. If insurance policies are not written for amounts specified in Section 0400, Supplemental Purchase Provisions, the Contractor shall carry Umbrella or Excess Liability Insurance for any differences in amounts specified. If Excess Liability Insurance is provided, it shall follow the form of the primary coverage.
- viii. The City shall be entitled, upon request, at an agreed upon location, and without expense, to review certified copies of policies and endorsements thereto and may make any reasonable requests for deletion or revision or modification of particular policy terms, conditions, limitations, or exclusions except where policy provisions are established by law or regulations binding upon either of the parties hereto or the underwriter on any such policies.
- ix. The City reserves the right to review the insurance requirements set forth during the effective period of the Contract and to make reasonable adjustments to insurance coverage, limits, and exclusions when deemed necessary and prudent by the City based upon changes in statutory law, court decisions, the claims history of the industry or financial condition of the insurance company as well as the Contractor.
- x. The Contractor shall not cause any insurance to be canceled nor permit any insurance to lapse during the term of the Contract or as required in the Contract.
- xi. The Contractor shall be responsible for premiums, deductibles and self-insured retentions, if any, stated in policies. Self-insured retentions shall be disclosed on the Certificate of Insurance.
- xii. The Contractor shall provide the City thirty (30) calendar days' written notice of erosion of the aggregate limits below occurrence limits for all applicable coverages indicated within the Contract.
- xiii. The insurance coverages specified in Section 0400, Supplemental Purchase Provisions, are required minimums and are not intended to limit the responsibility or liability of the Contractor.

**B. Specific Coverage Requirements:** Specific insurance requirements are contained in Section 0400, Supplemental Purchase Provisions

33. **CLAIMS:** If any claim, demand, suit, or other action is asserted against the Contractor which arises under or concerns the Contract, or which could have a material adverse affect on the Contractor's ability to perform thereunder, the Contractor shall give written notice thereof to the City within ten (10) calendar days after receipt of notice by the

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Contractor. Such notice to the City shall state the date of notification of any such claim, demand, suit, or other action; the names and addresses of the claimant(s); the basis thereof; and the name of each person against whom such claim is being asserted. Such notice shall be delivered personally or by mail and shall be sent to the City and to the Austin City Attorney. Personal delivery to the City Attorney shall be to City Hall, 301 West 2<sup>nd</sup> Street, 4<sup>th</sup> Floor, Austin, Texas 78701, and mail delivery shall be to P.O. Box 1088, Austin, Texas 78767.

34. **NOTICES**: Unless otherwise specified, all notices, requests, or other communications required or appropriate to be given under the Contract shall be in writing and shall be deemed delivered three (3) business days after postmarked if sent by U.S. Postal Service Certified or Registered Mail, Return Receipt Requested. Notices delivered by other means shall be deemed delivered upon receipt by the addressee. Routine communications may be made by first class mail, telefax, or other commercially accepted means. Notices to the Contractor shall be sent to the address specified in the Contractor's Offer, or at such other address as a party may notify the other in writing. Notices to the City shall be addressed to the City at P.O. Box 1088, Austin, Texas 78767 and marked to the attention of the Contract Administrator.
35. **RIGHTS TO BID, PROPOSAL AND CONTRACTUAL MATERIAL**: All material submitted by the Contractor to the City shall become property of the City upon receipt. Any portions of such material claimed by the Contractor to be proprietary must be clearly marked as such. Determination of the public nature of the material is subject to the Texas Public Information Act, Chapter 552, Texas Government Code.
36. **NO WARRANTY BY CITY AGAINST INFRINGEMENTS**: The Contractor represents and warrants to the City that: (i) the Contractor shall provide the City good and indefeasible title to the Deliverables and (ii) the Deliverables supplied by the Contractor in accordance with the specifications in the Contract will not infringe, directly or contributorily, any patent, trademark, copyright, trade secret, or any other intellectual property right of any kind of any third party; that no claims have been made by any person or entity with respect to the ownership or operation of the Deliverables and the Contractor does not know of any valid basis for any such claims. The Contractor shall, at its sole expense, defend, indemnify, and hold the City harmless from and against all liability, damages, and costs (including court costs and reasonable fees of attorneys and other professionals) arising out of or resulting from: (i) any claim that the City's exercise anywhere in the world of the rights associated with the City's ownership, and if applicable, license rights, and its use of the Deliverables infringes the intellectual property rights of any third party; or (ii) the Contractor's breach of any of Contractor's representations or warranties stated in this Contract. In the event of any such claim, the City shall have the right to monitor such claim or at its option engage its own separate counsel to act as co-counsel on the City's behalf. Further, Contractor agrees that the City's specifications regarding the Deliverables shall in no way diminish Contractor's warranties or obligations under this paragraph and the City makes no warranty that the production, development, or delivery of such Deliverables will not impact such warranties of Contractor.
37. **CONFIDENTIALITY**: In order to provide the Deliverables to the City, Contractor may require access to certain of the City's and/or its licensors' confidential information (including inventions, employee information, trade secrets, confidential know-how, confidential business information, and other information which the City or its licensors consider confidential) (collectively, "Confidential Information"). Contractor acknowledges and agrees that the Confidential Information is the valuable property of the City and/or its licensors and any unauthorized use, disclosure, dissemination, or other release of the Confidential Information will substantially injure the City and/or its licensors. The Contractor (including its employees, subcontractors, agents, or representatives) agrees that it will maintain the Confidential Information in strict confidence and shall not disclose, disseminate, copy, divulge, recreate, or otherwise use the Confidential Information without the prior written consent of the City or in a manner not expressly permitted under this Agreement, unless the Confidential Information is required to be disclosed by law or an order of any court or other governmental authority with proper jurisdiction, provided the Contractor promptly notifies the City before disclosing such information so as to permit the City reasonable time to seek an appropriate protective order. The Contractor agrees to use protective measures no less stringent than the Contractor uses within its own business to protect its own most valuable information, which protective measures shall under all circumstances be at least reasonable measures to ensure the continued confidentiality of the Confidential Information.
38. **PUBLICATIONS**: All published material and written reports submitted under the Contract must be originally developed material unless otherwise specifically provided in the Contract. When material not originally developed is included in a report in any form, the source shall be identified.

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39. **ADVERTISING**: The Contractor shall not advertise or publish, without the City's prior consent, the fact that the City has entered into the Contract, except to the extent required by law.
40. **NO CONTINGENT FEES**: The Contractor warrants that no person or selling agency has been employed or retained to solicit or secure the Contract upon any agreement or understanding for commission, percentage, brokerage, or contingent fee, excepting bona fide employees of bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business. For breach or violation of this warranty, the City shall have the right, in addition to any other remedy available, to cancel the Contract without liability and to deduct from any amounts owed to the Contractor, or otherwise recover, the full amount of such commission, percentage, brokerage or contingent fee.
41. **GRATUITIES**: The City may, by written notice to the Contractor, cancel the Contract without liability if it is determined by the City that gratuities were offered or given by the Contractor or any agent or representative of the Contractor to any officer or employee of the City of Austin with a view toward securing the Contract or securing favorable treatment with respect to the awarding or amending or the making of any determinations with respect to the performing of such contract. In the event the Contract is canceled by the City pursuant to this provision, the City shall be entitled, in addition to any other rights and remedies, to recover or withhold the amount of the cost incurred by the Contractor in providing such gratuities.
42. **PROHIBITION AGAINST PERSONAL INTEREST IN CONTRACTS**: No officer, employee, independent consultant, or elected official of the City who is involved in the development, evaluation, or decision-making process of the performance of any solicitation shall have a financial interest, direct or indirect, in the Contract resulting from that solicitation. Any willful violation of this section shall constitute impropriety in office, and any officer or employee guilty thereof shall be subject to disciplinary action up to and including dismissal. Any violation of this provision, with the knowledge, expressed or implied, of the Contractor shall render the Contract voidable by the City.
43. **INDEPENDENT CONTRACTOR**: The Contract shall not be construed as creating an employer/employee relationship, a partnership, or a joint venture. The Contractor's services shall be those of an independent contractor. The Contractor agrees and understands that the Contract does not grant any rights or privileges established for employees of the City.
44. **ASSIGNMENT-DELEGATION**: The Contract shall be binding upon and enure to the benefit of the City and the Contractor and their respective successors and assigns, provided however, that no right or interest in the Contract shall be assigned and no obligation shall be delegated by the Contractor without the prior written consent of the City. Any attempted assignment or delegation by the Contractor shall be void unless made in conformity with this paragraph. The Contract is not intended to confer rights or benefits on any person, firm or entity not a party hereto; it being the intention of the parties that there be no third party beneficiaries to the Contract.
45. **WAIVER**: No claim or right arising out of a breach of the Contract can be discharged in whole or in part by a waiver or renunciation of the claim or right unless the waiver or renunciation is supported by consideration and is in writing signed by the aggrieved party. No waiver by either the Contractor or the City of any one or more events of default by the other party shall operate as, or be construed to be, a permanent waiver of any rights or obligations under the Contract, or an express or implied acceptance of any other existing or future default or defaults, whether of a similar or different character.
46. **MODIFICATIONS**: The Contract can be modified or amended only by a writing signed by both parties. No pre-printed or similar terms on any the Contractor invoice, order or other document shall have any force or effect to change the terms, covenants, and conditions of the Contract.
47. **INTERPRETATION**: The Contract is intended by the parties as a final, complete and exclusive statement of the terms of their agreement. No course of prior dealing between the parties or course of performance or usage of the trade shall be relevant to supplement or explain any term used in the Contract. Although the Contract may have been substantially drafted by one party, it is the intent of the parties that all provisions be construed in a manner to be fair to both parties, reading no provisions more strictly against one party or the other. Whenever a term defined by the Uniform Commercial Code, as enacted by the State of Texas, is used in the Contract, the UCC definition shall control, unless otherwise defined in the Contract.

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**48. DISPUTE RESOLUTION:**

- A. If a dispute arises out of or relates to the Contract, or the breach thereof, the parties agree to negotiate prior to prosecuting a suit for damages. However, this section does not prohibit the filing of a lawsuit to toll the running of a statute of limitations or to seek injunctive relief. Either party may make a written request for a meeting between representatives of each party within fourteen (14) calendar days after receipt of the request or such later period as agreed by the parties. Each party shall include, at a minimum, one (1) senior level individual with decision-making authority regarding the dispute. The purpose of this and any subsequent meeting is to attempt in good faith to negotiate a resolution of the dispute. If, within thirty (30) calendar days after such meeting, the parties have not succeeded in negotiating a resolution of the dispute, they will proceed directly to mediation as described below. Negotiation may be waived by a written agreement signed by both parties, in which event the parties may proceed directly to mediation as described below.
- B. If the efforts to resolve the dispute through negotiation fail, or the parties waive the negotiation process, the parties may select, within thirty (30) calendar days, a mediator trained in mediation skills to assist with resolution of the dispute. Should they choose this option, the City and the Contractor agree to act in good faith in the selection of the mediator and to give consideration to qualified individuals nominated to act as mediator. Nothing in the Contract prevents the parties from relying on the skills of a person who is trained in the subject matter of the dispute or a contract interpretation expert. If the parties fail to agree on a mediator within thirty (30) calendar days of initiation of the mediation process, the mediator shall be selected by the Travis County Dispute Resolution Center (DRC). The parties agree to participate in mediation in good faith for up to thirty (30) calendar days from the date of the first mediation session. The City and the Contractor will share the mediator's fees equally and the parties will bear their own costs of participation such as fees for any consultants or attorneys they may utilize to represent them or otherwise assist them in the mediation.

49. **JURISDICTION AND VENUE:** The Contract is made under and shall be governed by the laws of the State of Texas, including, when applicable, the Uniform Commercial Code as adopted in Texas, V.T.C.A., Bus. & Comm. Code, Chapter 1, excluding any rule or principle that would refer to and apply the substantive law of another state or jurisdiction. All issues arising from this Contract shall be resolved in the courts of Travis County, Texas and the parties agree to submit to the exclusive personal jurisdiction of such courts. The foregoing, however, shall not be construed or interpreted to limit or restrict the right or ability of the City to seek and secure injunctive relief from any competent authority as contemplated herein.

50. **INVALIDITY:** The invalidity, illegality, or unenforceability of any provision of the Contract shall in no way affect the validity or enforceability of any other portion or provision of the Contract. Any void provision shall be deemed severed from the Contract and the balance of the Contract shall be construed and enforced as if the Contract did not contain the particular portion or provision held to be void. The parties further agree to reform the Contract to replace any stricken provision with a valid provision that comes as close as possible to the intent of the stricken provision. The provisions of this section shall not prevent this entire Contract from being void should a provision which is the essence of the Contract be determined to be void.

51. **HOLIDAYS:** The following holidays are observed by the City:

<u>Holiday</u>	<u>Date Observed</u>
New Year's Day	January 1
Martin Luther King, Jr.'s Birthday	Third Monday in January
President's Day	Third Monday in February
Memorial Day	Last Monday in May
Independence Day	July 4
Labor Day	First Monday in September
Veteran's Day	November 11

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Thanksgiving Day	Fourth Thursday in November
Friday after Thanksgiving	Friday after Thanksgiving
Christmas Eve	December 24
Christmas Day	December 25

If a Legal Holiday falls on Saturday, it will be observed on the preceding Friday. If a Legal Holiday falls on Sunday, it will be observed on the following Monday.

52. **SURVIVABILITY OF OBLIGATIONS:** All provisions of the Contract that impose continuing obligations on the parties, including but not limited to the warranty, indemnity, and confidentiality obligations of the parties, shall survive the expiration or termination of the Contract.

53. **NON-SUSPENSION OR DEBARMENT CERTIFICATION:**

The City of Austin is prohibited from contracting with or making prime or sub-awards to parties that are suspended or debarred or whose principals are suspended or debarred from Federal, State, or City of Austin Contracts. By accepting a Contract with the City, the Vendor certifies that its firm and its principals are not currently suspended or debarred from doing business with the Federal Government, as indicated by the General Services Administration List of Parties Excluded from Federal Procurement and Non-Procurement Programs, the State of Texas, or the City of Austin.

54. **EQUAL OPPORTUNITY**

A. **Equal Employment Opportunity:** No Contractor, or Contractor's agent, shall engage in any discriminatory employment practice as defined in Chapter 5-4 of the City Code. No Offer submitted to the City shall be considered, nor any Purchase Order issued, or any Contract awarded by the City unless the Offeror has executed and filed with the City Purchasing Office a current Non-Discrimination Certification. Non-compliance with Chapter 5-4 of the City Code may result in sanctions, including termination of the contract and the Contractor's suspension or debarment from participation on future City contracts until deemed compliant with Chapter 5-4.

B. **Americans with Disabilities Act (ADA) Compliance:** No Contractor, or Contractor's agent, shall engage in any discriminatory practice against individuals with disabilities as defined in the ADA, including but not limited to: employment, accessibility to goods and services, reasonable accommodations, and effective communications.

55. **INTERESTED PARTIES DISCLOSURE**

As a condition to entering the Contract, the Business Entity constituting the Offeror must provide the following disclosure of Interested Parties to the City prior to the award of a contract with the City on Form 1295 "Certificate of Interested Parties" as prescribed by the Texas Ethics Commission for any contract award requiring council authorization. The Certificate of Interested Parties Form must be completed on the Texas Ethics Commission website, printed, and signed by the authorized agent of the Business Entity with acknowledgment that disclosure is made under oath and under penalty of perjury. The City will submit the "Certificate of Interested Parties" to the Texas Ethics Commission within 30 days of receipt from the successful Offeror. The Offeror is reminded that the provisions of Local Government Code 176, regarding conflicts of interest between the bidders and local officials remains in place. Link to Texas Ethics Commission Form 1295 process and procedures below:

[https://www.ethics.state.tx.us/whatsnew/elf\\_info\\_form1295.htm](https://www.ethics.state.tx.us/whatsnew/elf_info_form1295.htm)

56. **BUY AMERICAN ACT-SUPPLIES (Applicable to certain Federally funded requirements)**



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- A. Definitions. As used in this paragraph –
- i. "Component" means an article, material, or supply incorporated directly into an end product.
  - ii. "Cost of components" means -
    - (1) For components purchased by the Contractor, the acquisition cost, including transportation costs to the place of incorporation into the end product (whether or not such costs are paid to a domestic firm), and any applicable duty (whether or not a duty-free entry certificate is issued); or
    - (2) For components manufactured by the Contractor, all costs associated with the manufacture of the component, including transportation costs as described in paragraph (1) of this definition, plus allocable overhead costs, but excluding profit. Cost of components does not include any costs associated with the manufacture of the end product.
  - iii. "Domestic end product" means-
    - (1) An unmanufactured end product mined or produced in the United States; or
    - (2) An end product manufactured in the United States, if the cost of its components mined, produced, or manufactured in the United States exceeds 50 percent of the cost of all its components. Components of foreign origin of the same class or kind as those that the agency determines are not mined, produced, or manufactured in sufficient and reasonably available commercial quantities of a satisfactory quality are treated as domestic. Scrap generated, collected, and prepared for processing in the United States is considered domestic.
  - iv. "End product" means those articles, materials, and supplies to be acquired under the contract for public use.
  - v. "Foreign end product" means an end product other than a domestic end product.
  - vi. "United States" means the 50 States, the District of Columbia, and outlying areas.
- B. The Buy American Act (41 U.S.C. 10a - 10d) provides a preference for domestic end products for supplies acquired for use in the United States.
- C. The City does not maintain a list of foreign articles that will be treated as domestic for this Contract; but will consider for approval foreign articles as domestic for this product if the articles are on a list approved by another Governmental Agency. The Offeror shall submit documentation with their Offer demonstrating that the article is on an approved Governmental list.
- D. The Contractor shall deliver only domestic end products except to the extent that it specified delivery of foreign end products in the provision of the Solicitation entitled "Buy American Act Certificate".



**CITY OF AUSTIN, TEXAS**  
**Purchasing Office**  
**REQUEST FOR PROPOSAL (RFP)**  
**OFFER SHEET**

**SOLICITATION NO:** RFP 7400 SMB0305

**DATE ISSUED:** May 8, 2017

**REQUISITION NO.:** RQM 7400 17042600473

**COMMODITY CODE:** 94648

**FOR CONTRACTUAL AND TECHNICAL  
ISSUES CONTACT THE FOLLOWING  
AUTHORIZED CONTACT PERSON:**

Sandy Brandt  
Procurement Specialist IV  
**Phone: (512) 974-1783**  
**E-Mail: Sandy.Brandt@austintexas.gov**

Liz Lock  
Procurement Specialist II  
**Phone: (512) 974-2034**  
**E-Mail: Liz.Lock@austintexas.gov**

**COMMODITY/SERVICE DESCRIPTION:** Deferred Compensation  
Consultant

**PRE-PROPOSAL CONFERENCE TIME AND DATE:** May 12, 2017  
at 9:30am local time

**LOCATION:** 124 W. 8<sup>th</sup> Street, Suite 310, Austin, TX 78701

Call in by dialing (512) 974-9300, participant code 464410

**PROPOSAL DUE PRIOR TO:** 2pm local time on June 1, 2017

**PROPOSAL OPENING TIME AND DATE:** 3pm local time on June 1,  
2017

**LOCATION:** MUNICIPAL BUILDING, 124 W 8<sup>th</sup> STREET  
RM 308, AUSTIN, TEXAS 78701

**LIVE SOLICITATION CLOSING ONLINE:** For RFPs, only the  
names of respondents will be read aloud

For information on how to attend the Solicitation Closing online, please  
select this link:

<http://www.austintexas.gov/department/bid-opening-webinars>

**When submitting a sealed Offer and/or Compliance Plan, use the proper address for the type of service desired, as shown below:**

<b>Address for US Mail (Only)</b>	<b>Address for FedEx, UPS, Hand Delivery or Courier Service</b>
City of Austin	City of Austin, Municipal Building
Purchasing Office-Response Enclosed for Solicitation # RFP 7400 SMB0305	Purchasing Office-Response Enclosed for Solicitation # RFP 7400 SMB0305
P.O. Box 1088	124 W 8 <sup>th</sup> Street, Rm 308
Austin, Texas 78767-8845	Austin, Texas 78701
	Reception Phone: (512) 974-2500

**NOTE: Offers must be received and time stamped in the Purchasing Office prior to the Due Date and Time. It is the responsibility of the Offeror to ensure that their Offer arrives at the receptionist's desk in the Purchasing Office prior to the time and date indicated. Arrival at the City's mailroom, mail terminal, or post office box will not constitute the Offer arriving on time. See Section 0200 for additional solicitation instructions.**

**All Offers (including Compliance Plans) that are not submitted in a sealed envelope or container will not be considered.**

**SUBMIT 1 ORIGINAL AND 1 ELECTRONIC COPY OF YOUR RESPONSE**  
**\*\*\*SIGNATURE FOR SUBMITTAL REQUIRED ON PAGE 3 OF THIS DOCUMENT\*\***

**This solicitation is comprised of the following required sections. Please ensure to carefully read each section including those incorporated by reference. By signing this document, you are agreeing to all the items contained herein and will be bound to all terms.**

<b>SECTION NO.</b>	<b>TITLE</b>	<b>PAGES</b>
0100	STANDARD PURCHASE DEFINITIONS	*
0200	STANDARD SOLICITATION INSTRUCTIONS	*
0300	STANDARD PURCHASE TERMS AND CONDITIONS	*
0400	SUPPLEMENTAL PURCHASE PROVISIONS	3
0500	SCOPE OF WORK	2
0600	PROPOSAL PREPARATION INSTRUCTIONS & EVALUATION FACTORS	4
0605	LOCAL BUSINESS PRESENCE IDENTIFICATION FORM – Complete and return	2
0800	NON-DISCRIMINATION AND NON-RETALIATION CERTIFICATION–Complete and return	2
0805	NON-SUSPENSION OR DEBARMENT CERTIFICATION	*
0810	NON-COLLUSION, NON-CONFLICT OF INTEREST, AND ANTI-LOBBYING CERTIFICATION	*
0835	NONRESIDENT BIDDER PROVISIONS – Complete and return	1
0900	SUBCONTRACTING/SUB-CONSULTING UTILIZATION FORM – Complete & return	1
0905	SUBCONTRACTING/SUB-CONSULTING UTILIZATION PLAN – Complete and return if applicable	3

**\* Documents are hereby incorporated into this Solicitation by reference, with the same force and effect as if they were incorporated in full text. The full text versions of the \* Sections are available on the Internet at the following online address:**

[http://www.austintexas.gov/financeonline/vendor\\_connection/index.cfm#STANDARDBIDDOCUMENTS](http://www.austintexas.gov/financeonline/vendor_connection/index.cfm#STANDARDBIDDOCUMENTS)

**If you do not have access to the Internet, you may obtain a copy of these Sections from the City of Austin Purchasing Office located in the Municipal Building, 124 West 8<sup>th</sup> Street, Room #308 Austin, Texas 78701; phone (512) 974-2500. Please have the Solicitation number available so that the staff can select the proper documents. These documents can be mailed, expressed mailed, or faxed to you.**

**The undersigned, by his/her signature, represents that he/she is submitting a binding offer and is authorized to bind the respondent to fully comply with the solicitation document contained herein. The Respondent, by submitting and signing below, acknowledges that he/she has received and read the entire document packet sections defined above including all documents incorporated by reference, and agrees to be bound by the terms therein.**

Company Name: \_\_\_\_\_

Company Address: \_\_\_\_\_

City, State, Zip: \_\_\_\_\_

Federal Tax ID No. \_\_\_\_\_

Printed Name of Officer or Authorized  
Representative: \_\_\_\_\_

Title: \_\_\_\_\_

Signature of Officer or Authorized  
Representative: \_\_\_\_\_

Date: \_\_\_\_\_

Email Address: \_\_\_\_\_

Phone Number: \_\_\_\_\_

**\* Proposal response must be submitted with this Offer sheet to be considered for award**

**CITY OF AUSTIN PURCHASING OFFICE**  
**SECTION 0400: SUPPLEMENTAL PURCHASE PROVISIONS**  
**RFP 7400 SMB0305: DEFERRED COMPENSATION CONSULTANT**

The following Supplemental Purchasing Provisions apply to this solicitation:

1. **EXPLANATIONS OR CLARIFICATIONS:** (reference paragraph 5 in Section 0200)

All requests for explanations or clarifications must be submitted in writing to the Purchasing Office no later than five business days prior to the Solicitation Due Date.

2. **INSURANCE:** Insurance is required for this solicitation.

A. **General Requirements:** See Section 0300, Standard Purchase Terms and Conditions, paragraph 32, entitled Insurance, for general insurance requirements.

- i. The Contractor shall provide a Certificate of Insurance as verification of coverages required below to the City at the below address prior to contract execution and within 14 calendar days after written request from the City. Failure to provide the required Certificate of Insurance may subject the Offer to disqualification from consideration for award
- ii. The Contractor shall not commence work until the required insurance is obtained and until such insurance has been reviewed by the City. Approval of insurance by the City shall not relieve or decrease the liability of the Contractor hereunder and shall not be construed to be a limitation of liability on the part of the Contractor.
- iii. The Contractor must also forward a Certificate of Insurance to the City whenever a previously identified policy period has expired, or an extension option or holdover period is exercised, as verification of continuing coverage.
- iv. The Certificate of Insurance, and updates, shall be mailed to the following address:

City of Austin Purchasing Office  
P. O. Box 1088  
Austin, Texas 78767

B. **Specific Coverage Requirements:** The Contractor shall at a minimum carry insurance in the types and amounts indicated below for the duration of the Contract, including extension options and hold over periods, and during any warranty period. These insurance coverages are required minimums and are not intended to limit the responsibility or liability of the Contractor.

- i. **Worker's Compensation and Employers' Liability Insurance:** Coverage shall be consistent with statutory benefits outlined in the Texas Worker's Compensation Act (Section 401). The minimum policy limits for Employer's Liability are \$100,000 bodily injury each accident, \$500,000 bodily injury by disease policy limit and \$100,000 bodily injury by disease each employee.
  - (1) The Contractor's policy shall apply to the State of Texas and include these endorsements in favor of the City of Austin:
    - (a) Waiver of Subrogation, Form WC420304, or equivalent coverage
    - (b) Thirty (30) days Notice of Cancellation, Form WC420601, or equivalent coverage
- ii. **Commercial General Liability Insurance:** The minimum bodily injury and property damage per occurrence are \$500,000 for coverages A (Bodily Injury and Property Damage) and B (Personal and Advertising Injury).
  - (1) The policy shall contain the following provisions:
    - (a) Contractual liability coverage for liability assumed under the Contract and all other Contracts related to the project.
    - (b) Contractor/Subcontracted Work.
    - (c) Products/Completed Operations Liability for the duration of the warranty period.
    - (d) If the project involves digging or drilling provisions must be included that provide Explosion, Collapse, and/or Underground Coverage.
  - (2) The policy shall also include these endorsements in favor of the City of Austin:



**CITY OF AUSTIN PURCHASING OFFICE**  
**SECTION 0400: SUPPLEMENTAL PURCHASE PROVISIONS**  
**RFP 7400 SMB0305: DEFERRED COMPENSATION CONSULTANT**

- (a) Waiver of Subrogation, Endorsement CG 2404, or equivalent coverage
  - (b) Thirty (30) days Notice of Cancellation, Endorsement CG 0205, or equivalent coverage
  - (c) The City of Austin listed as an additional insured, Endorsement CG 2010, or equivalent coverage
- iii. **Business Automobile Liability Insurance:** The Contractor shall provide coverage for all owned, non-owned and hired vehicles with a minimum combined single limit of \$500,000 per occurrence for bodily injury and property damage. Alternate acceptable limits are \$250,000 bodily injury per person, \$500,000 bodily injury per occurrence and at least \$100,000 property damage liability per accident.
  - (1) The policy shall include these endorsements in favor of the City of Austin:
    - (a) Waiver of Subrogation, Endorsement CA0444, or equivalent coverage
    - (b) Thirty (30) days Notice of Cancellation, Endorsement CA0244, or equivalent coverage
    - (c) The City of Austin listed as an additional insured, Endorsement CA2048, or equivalent coverage.
- iv. **Professional Liability Insurance.** The Contractor shall provide coverage, at a minimum limit of \$500,000 per claim, to pay on behalf of the assured all sums which the assured shall become legally obligated to pay as damages by reason of any negligent act, error, or omission arising out of the performance of professional services under this Agreement.

If coverage is written on a claims-made basis, the retroactive date shall be prior to or coincident with the date of the Contract and the certificate of insurance shall state that the coverage is claims-made and indicate the retroactive date. This coverage shall be continuous and will be provided for 24 months following the completion of the contract.

- C. **Endorsements:** The specific insurance coverage endorsements specified above, or their equivalents must be provided. In the event that endorsements, which are the equivalent of the required coverage, are proposed to be substituted for the required coverage, copies of the equivalent endorsements must be provided for the City's review and approval.

**3. TERM OF CONTRACT:**

- A. The Contract shall be in effect for an initial term of 36 months and may be extended thereafter for up to three additional 12 month periods, subject to the approval of the Contractor and the City Purchasing Officer or his designee.
- B. Upon expiration of the initial term or period of extension, the Contractor agrees to hold over under the terms and conditions of this agreement for such a period of time as is reasonably necessary to re-solicit and/or complete the project (not to exceed 120 days unless mutually agreed on in writing).

- 4. **QUANTITIES:** The quantities listed herein are estimates for the period of the Contract. The City reserves the right to purchase more or less of these quantities as may be required during the Contract term. Quantities will be as needed and specified by the City for each order. Unless specified in the solicitation, there are no minimum order quantities.

**5. INVOICES and PAYMENT:** (reference paragraphs 12 and 13 in Section 0300)

- A. Invoices shall contain a unique invoice number and the information required in Section 0300, paragraph 12, entitled "Invoices." Invoices received without all required information cannot be processed and will be returned to the vendor.

**CITY OF AUSTIN PURCHASING OFFICE**  
**SECTION 0400: SUPPLEMENTAL PURCHASE PROVISIONS**  
**RFP 7400 SMB0305: DEFERRED COMPENSATION CONSULTANT**

Invoices shall be mailed to the below address:

	City of Austin
Department	Financial Services Department
Attn:	Accounts Payable
Address	P.O. Box 1088
City, State Zip Code	Austin, TX 78767

- B. The Contractor agrees to accept payment by either credit card, check or Electronic Funds Transfer (EFT) for all goods and/or services provided under the Contract. The Contractor shall factor the cost of processing credit card payments into the Offer. There shall be no additional charges, surcharges, or penalties to the City for payments made by credit card.
36. **OWNERSHIP AND USE OF DELIVERABLES:** The City shall own all rights, titles, and interests throughout the world in and to the Deliverables.
- A. **Patents:** As to any patentable subject matter contained in the Deliverables, the Contractor agrees to disclose such patentable subject matter to the City. Further, if requested by the City, the Contractor agrees to assign and, if necessary, cause each of its employees to assign the entire right, title, and interest to specific inventions under such patentable subject matter to the City and to execute, acknowledge, and deliver and, if necessary, cause each of its employees to execute, acknowledge, and deliver an assignment of letters patent, in a form to be reasonably approved by the City, to the City upon request by the City.
- B. **Copyrights:** As to any Deliverable containing copyrighted subject matter, the Contractor agrees that upon their creation, such Deliverables shall be considered as work made-for-hire by the Contractor for the City and the City shall own all copyrights in and to such Deliverables, provided however, that nothing in this Paragraph 36 shall negate the City's sole or joint ownership of any such Deliverables arising by virtue of the City's sole or joint authorship of such Deliverables. Should by operation of law, such Deliverables not be considered work made-for-hire, the Contractor hereby assigns to the City (and agrees to cause each of its employees providing services to the City hereunder to execute, acknowledge, and deliver an assignment to the City of Austin) all worldwide right, title, and interest in and to such Deliverables. With respect to such work made-for-hire, the Contractor agrees to execute, acknowledge and deliver and cause each of its employees providing services to the City hereunder to execute, acknowledge, and deliver a work-for-hire agreement, in a form to be reasonably approved by the City, to the City upon delivery of such Deliverables to the City or at such other time as the City may request.
- C. **Additional Assignments:** The Contractor further agrees to, and if applicable, cause each of its employees to execute, acknowledge, and deliver all applications, specifications, oaths, assignments, and all other instruments which the City might reasonably deem necessary in order to apply for and obtain copyright protection, mask work registration, trademark registration and/or protection, letters patent, or any similar rights in any and all countries and in order to assign and convey to the City, its successors, assigns, and nominees, the sole and exclusive right, title, and interest in and to the Deliverables. The Contractor's obligations to execute acknowledge, and deliver (or cause to be executed, acknowledged, and delivered) instruments or papers such as those described in this Paragraph 36 A., B., and C. shall continue after the termination of this Contract with respect to such Deliverables. In the event the City should not seek to obtain copyright protection, mask work registration or patent protection for any of the Deliverables, but should arise to keep the same secret, the Contractor agrees to treat the same as Confidential Information under the terms of Paragraph above.

**CITY OF AUSTIN PURCHASING OFFICE  
SECTION 0500: SCOPE OF WORK  
RFP 7400 SMB0305: DEFERRED COMPENSATION CONSULTANT**

**1. PURPOSE**

The City of Austin ("City") seeks an experienced Contractor to provide as needed investment and general consulting services for Texas governmental Deferred Contribution retirement plan sponsors and/or their oversight committees.

**2. BACKGROUND**

In 1981, the Austin City Council established a 457 Deferred Compensation Plan ("Plan") for City of Austin employees, designating the City's Chief Financial Officer ("CFO") as Administrator of the Plan with oversight by the Deferred Compensation Committee ("Committee"). The Committee consists of nine members, six of whom are actively deferring funds and elected by all participants in the plan, one retired participant elected by all participants in the Plan, the CFO or designee, and the Director of Human Resources or designee.

The City of Austin currently has a contract with Empower Retirement (Empower) for record keeping and communication services in support of the 457 Deferred Compensation Plan. In addition to statements and newsletters, Empower provides local representatives to assist participants and potential participants with information. Participants can also access support by calling Empower staff or by viewing information online at [www.dcaustin.com](http://www.dcaustin.com). Additionally, Empower evaluates funds utilized in the Plan and provides information to the Committee annually. To organize fund choices, three tiers are currently offered, as described below.

- a. Tier 1 - Do It For Me: A set of low cost Target Date Funds
- b. Tier 2 - Do It Together: A set of 8 core funds, primarily index in nature, across the major asset classes
- c. Tier 3 - Do It Myself: Schwab self-directed brokerage accounts

As of December 2016, the Plan had over 10,000 participants and assets totaling in excess of \$400 million.

Any services that have been omitted from this scope of work which are clearly necessary or in conformance shall be considered a requirement although not directly specified or called for in the scope of work.

**3. SCOPE OF SERVICES**

3.1 The Contractor shall act as fiduciary to the Plan and its members.

3.2 As Needed Consulting Services. The Contractor shall provide as needed consulting services for the City of Austin's 457 Deferred Compensation Plan. The City estimates 60 hours per year in consulting services under the Contract.

3.2.1 As needed consulting projects may include but are not limited to:

- a. Regular review of the Plan's investment options against the Plan's Investment Policy Statement criteria and make recommendations as needed.
- b. Evaluation of new products or services.
- c. Written analysis/assessment.
- d. Advice or presentation relating to regulation changes in the industry.
- e. Recommendations to the Plan's Investment Policy Statement
- f. Assist in reviewing, editing, and completing the Plan's annual outside audit
- g. In person presentation of project results and recommendations to the Committee

3.2.2 At the City's request, the Contractor shall develop a "Project Scope of Work" for a specific consulting project identified by the City.

**CITY OF AUSTIN PURCHASING OFFICE  
SECTION 0500: SCOPE OF WORK  
RFP 7400 SMB0305: DEFERRED COMPENSATION CONSULTANT**

- a. The Contractor shall not begin work on a project until the City and Contract have reached mutual agreement in writing on the Project Scope of Work.
- b. The Contractor may include objectives, tasks, timeline, and deliverables in each Project Scope of Work
- c. The Contractor shall include an itemized budget and payment scheduled in each Project Scope of Work

3.3 Scope of Work Development. The Contractor shall assist in the development of a Scope of Work (SOW) for a Request for Proposal (RFP) for a new record keeping and communication services contract which supports the 457 Deferred Compensation Plan. This one-time project is estimated to begin in years 2-4 of the Contract.

3.2.1 Responsibilities include but are not limited to:

- a. Develop a SOW for a record keeping and communication services for a competitive solicitation
- b. Participate in emails, phone calls and meetings concerning SOW development activities
- c. Assist in responding to questions received from proposers
- d. Evaluate responses from bidders
- e. Present results and recommendation to the Committee

3.4 The Contractor shall attend Committee meetings at the City's request. The Contractor may attend Committee meetings in person or via video conference. The Committee meets six times a year.

**4. ACCEPTANCE OF WORK**

4.1 The City's Contract Manager or designee shall be the sole judge of acceptability of work based on the Scope of Work. The Contractor shall provide progress updates to the City's Contract Manager or designee as requested.

**CITY OF AUSTIN PURCHASING OFFICE**  
**SECTION 0600: PROPOSAL PREPARATION INSTRUCTIONS AND EVALUATION FACTORS**  
**RFP 7400 SMB0305: DEFERRED COMPENSATION CONSULTANT**

**1. PROPOSAL FORMAT:**

Submit one (1) original and one (1) flash drive that contains an exact electronic replica of the Proposal. The original Proposal shall contain original ink signatures by a person authorized to sign on behalf of the Offeror. Proposals shall be submitted on standard 8.5 X 11 inch paper. Proposals shall be organized in the following format and information sequence. Use tabs to divide each part of your Proposal and include a Table of Contents. Proposers should provide all details in the Proposal as required and any additional information you deem necessary to evaluate your Proposal.

**Tab 1 – City of Austin Purchasing Documents:**

Complete and submit the following documents:

- A. Addendums (if applicable)
- B. Offer and Award Sheet
- C. Section 0605 - Local Business Presence Identification Form
- D. Section 0800 - Non-Discrimination and Non-Retaliation Certification
- E. Section 0835 - Non-Resident Bidder Provisions
- F. Section 0900 – Subcontracting/Sub-Consulting Utilization Form
- G. Section 0905 – Subcontracting/Sub-Consulting Utilization Plan (if applicable)

**Tab 2 – Authorized Negotiator:**

Include name, address, and telephone number of person in your organization authorized to negotiate Contract terms and render binding decisions on Contract matters.

**Tab 3 – Fiduciary Responsibility**

Provide a signed statement on your company's letterhead affirming that you will act as fiduciary to the Deferred Compensation Plan and its members.

**Tab 4 – Experience & Qualifications (60 points)**

Provide the information below:

**A. Company Information**

- i. Full name and address of your company; identify parent company if you are a subsidiary. Indicate whether you operate as a partnership, corporation, or individual. Include the State(s) in which incorporated or licensed to operate and how long your company has been in business
- ii. Number of years the Offeror has provided services related to the Scope of Work.
- iii. Description of Offeror's past experience performing services related to the Scope of Work. Related experience might include 457 plans, 401K, 451, governmental, or Texas specific experience.

At a minimum, include:

- a) Client/agency name
  - b) Contact name (agency project manager), telephone, and email
  - c) Project name
  - d) Year project took place and length of project
  - e) Project budget
  - f) Project description
  - g) Personnel assigned to project and their role in the project
- iv. Discuss your firm's experience with similar defined contribution plan sponsors/oversight committees and how you have helped provide the best value to plan participants.

**CITY OF AUSTIN PURCHASING OFFICE**  
**SECTION 0600: PROPOSAL PREPARATION INSTRUCTIONS AND EVALUATION FACTORS**  
**RFP 7400 SMB0305: DEFERRED COMPENSATION CONSULTANT**

- v. Discuss your firm's experience developing a Scope of Work for record keeping services.

**B. Lead Consultant**

Provide the name and qualifications of the individual who will serve as the Lead Consultant/primary point of contact under the Contract. At minimum, include:

- i. Number of years of experience related to the Scope of Work.
- ii. Description of the types of services managed by the individual.
- iii. Description of the size of contracts/plans managed/serviced by the individual.
- iv. Provide certifications held and the length of time the Consultant has held the certification.

**C. Key Personnel**

Include names and contact information for key personnel that will be assigned to the awarded Contract. Provide a general explanation and chart which specifies project leadership, reporting responsibilities, and interface the Contractor's team with City department personnel.

**D. Client References**

- i. Include a list of clients your firm has served.
- ii. Provide a minimum of three detailed references whom we may contact. At a minimum, include:
  - h) Client/agency name
  - i) Contact name (agency project manager), telephone, and email
  - j) Project name
  - k) Year project took place and length of project
  - l) Project budget
  - m) Project description
  - n) Personnel assigned to project and their role in the project

**Tab 5 – Cost Proposal (30 points)**

- i. As Needed Consulting Services - Provide hourly rates for each individual who will provide services under the Contract. Include name and title.
- ii. Scope of Work Development - Provide a cost breakdown for Scope of Work Development described in Paragraph 3.3 of Section 0500. Itemize cost of personnel, supplies, materials, and other direct costs. Breakdown of personnel costs should include the hourly rate for project personnel and the number of hours proposed for each task.

Your method of costing may or may not be used but should be described.

*Example:*

Name	Title	Hourly Rate	Task 1 Hours	Task 2 Hours	Total Hours	Total Fee
John Smith	Senior Consultant	\$	# hours	# hours		\$

**Tab 6 – Exceptions to the Proposal (include this form in your proposal as Attachment D):**

The Proposer shall clearly indicate each exception taken and indicate the alternative language along with the business need. Failure to identify exceptions or proposed changes with a full explanation will constitute acceptance by the Proposer of the Solicitation. The City reserves the right to reject a Proposal containing exceptions, additions, qualifications or conditions not called for in the Solicitation.

**CITY OF AUSTIN PURCHASING OFFICE**  
**SECTION 0600: PROPOSAL PREPARATION INSTRUCTIONS AND EVALUATION FACTORS**  
**RFP 7400 SMB0305: DEFERRED COMPENSATION CONSULTANT**

**2. PROPOSAL ACCEPTANCE PERIOD:**

All Proposals are valid for a period of one hundred and eighty (180) calendar days subsequent to the RFP closing date unless a longer acceptance period is offered in the Proposal.

**3. PROPRIETARY INFORMATION:**

All material submitted to the City becomes public property and is subject to the Texas Open Records Act upon receipt. If a Proposer does not desire proprietary information in the Proposal to be disclosed, each page shall be identified and marked proprietary at time of submittal. The City will, to the extent allowed by law, endeavor to protect such information from disclosure. The final decision as to what information shall be disclosed, however, lies with the Texas Attorney General. Failure to identify proprietary information will result in all unmarked sections being deemed non-proprietary and available upon public request.

**4. PROPOSAL PREPARATION COST:**

All costs directly or indirectly related to preparation of a response to the RFP or any oral presentation required to supplement and/or clarify a Proposal which may be required by the City shall be the sole responsibility of the Proposer.

**5. EVALUATION FACTORS AND AWARD:**

**A. Competitive Selection**

This procurement will comply with applicable City Policy. The successful Proposer will be selected by the City on a rational basis. Evaluation factors outlined in Paragraph B below shall be applied to all eligible, responsive Proposers in comparing proposals and selecting the Best Offeror. Award of a Contract may be made without discussion with Proposers after proposals are received. Proposals should, therefore, be submitted on the most favorable terms.

**B. Evaluation Factors: Maximum 100 points.**

All Proposals will be evaluated based on the following criteria and rankings.

- |   |                  |
|---|------------------|
| <b>1. <u>Experience/Qualifications:</u></b> | <b>60 points</b> |
| <b>2. <u>Proposed Cost:</u></b>             | <b>30 points</b> |

Proposer with the lowest cost to the City is given the maximum points; percentage ratio formula is applied to remaining Proposers. Cost will be determined using the following:

*(Average hourly rate \* Estimated number of As Needed Consulting Hours per Year \* Three Years) + Proposed Cost for Scope of Work Development*

- |   |                  |
|---|------------------|
| <b>3. <u>Local Business Presence:</u></b> | <b>10 points</b> |
|---|------------------|

The City seeks opportunities for businesses in the Austin Corporate City Limits to participate on City contracts. A firm (Proposer or Subcontractor) is considered to have a Local Business Presence if the firm is headquartered in the Austin Corporate City Limits, or has a branch office located in the Austin Corporate City Limits in operation for the last five (5) years. The City defines headquarters as the administrative center where most of the important functions and full responsibility for managing and coordinating the business activities of the firm are located. The City defines branch office as a smaller, remotely located office that is separate from a firm's headquarters that offers the services requested and required under this solicitation.

Points will be awarded through a combination of the Proposer's Local Business Presence and/or the Local Business Presence of their subcontractors. Evaluation of the Team's Percentage of Local Business Presence will be based on the dollar amount of work as reflected in the Proposer's MBE/WBE Compliance Plan or MBE/WBE Utilization Plan. Specify if and by which definition the Proposer or Subcontractor(s) have a local business presence. Local

**CITY OF AUSTIN PURCHASING OFFICE**  
**SECTION 0600: PROPOSAL PREPARATION INSTRUCTIONS AND EVALUATION FACTORS**  
**RFP 7400 SMB0305: DEFERRED COMPENSATION CONSULTANT**

Business Presence shall be scored according to this table:

<b>Team's Local Business Presence</b>	<b>Points Awarded</b>
Local business presence of 90% to 100%	10
Local business presence of 75% to 89%	8
Local business presence of 50% to 74%	6
Local business presence of 25% to 49%	4
Local presence of between 1 and 24%	2
No local presence	0

**C. Optional Presentations, Demonstrations, or Interviews.**

The City will score Proposals on the basis of the criteria listed above. The City may select a "short list" of Offerors based on those scores. "Short-listed" Offerors may be invited for presentations, demonstrations, or interviews with the City. The City reserves the right to re-score "short-listed" Proposals as a result, and to make award recommendations on that basis.



**Section 0605: Local Business Presence Identification**

A firm (Offeror or Subcontractor) is considered to have a Local Business Presence if the firm is headquartered in the Austin Corporate City Limits, or has a branch office located in the Austin Corporate City Limits in operation for the last five (5) years, currently employs residents of the City of Austin, Texas, and will use employees that reside in the City of Austin, Texas, to support this Contract. The City defines headquarters as the administrative center where most of the important functions and full responsibility for managing and coordinating the business activities of the firm are located. The City defines branch office as a smaller, remotely located office that is separate from a firm's headquarters that offers the services requested and required under this solicitation.

**OFFEROR MUST SUBMIT THE FOLLOWING INFORMATION FOR EACH LOCAL BUSINESS (INCLUDING THE OFFEROR, IF APPLICABLE) TO BE CONSIDERED FOR LOCAL PRESENCE.**

*NOTE: ALL FIRMS MUST BE IDENTIFIED ON THE MBE/WBE COMPLIANCE PLAN OR NO GOALS UTILIZATION PLAN (REFERENCE SECTION 0900).*

**\*USE ADDITIONAL PAGES AS NECESSARY\***

**OFFEROR:**

Name of Local Firm		
Physical Address		
Is your headquarters located in the Corporate City Limits? (circle one)	Yes	No
or		
Has your branch office been located in the Corporate City Limits for the last 5 years?	Yes	No
Will your business be providing additional economic development opportunities created by the contract award? (e.g., hiring, or employing residents of the City of Austin or increasing tax revenue?)	Yes	No

**SUBCONTRACTOR(S):**

Name of Local Firm		
Physical Address		
Is your headquarters located in the Corporate City Limits? (circle one)	Yes	No
or		
Has your branch office been located in the Corporate City Limits for the last 5 years	Yes	No

Will your business be providing additional economic development opportunities created by the contract award? (e.g., hiring, or employing residents of the City of Austin or increasing tax revenue?)	Yes	No

**SUBCONTRACTOR(S):**

Name of Local Firm		
Physical Address		
Is your headquarters located in the Corporate City Limits? (circle one)	Yes	No
or		
Has your branch office been located in the Corporate City Limits for the last 5 years	Yes	No
Will your business be providing additional economic development opportunities created by the contract award? (e.g., hiring, or employing residents of the City of Austin or increasing tax revenue?)	Yes	No

**City of Austin, Texas**  
**Section 0800**  
**NON-DISCRIMINATION AND NON-RETALIATION CERTIFICATION**

**City of Austin, Texas**

**Equal Employment/Fair Housing Office**

To: City of Austin, Texas,

I hereby certify that our firm complies with the Code of the City of Austin, Section 5-4-2 as reiterated below, and agrees:

- (1) Not to engage in any discriminatory employment practice defined in this chapter.
- (2) To take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without discrimination being practiced against them as defined in this chapter, including affirmative action relative to employment, promotion, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rate of pay or other forms of compensation, and selection for training or any other terms, conditions or privileges of employment.
- (3) To post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Equal Employment/Fair Housing Office setting forth the provisions of this chapter.
- (4) To state in all solicitations or advertisements for employees placed by or on behalf of the Contractor, that all qualified applicants will receive consideration for employment without regard to race, creed, color, religion, national origin, sexual orientation, gender identity, disability, sex or age.
- (5) To obtain a written statement from any labor union or labor organization furnishing labor or service to Contractors in which said union or organization has agreed not to engage in any discriminatory employment practices as defined in this chapter and to take affirmative action to implement policies and provisions of this chapter.
- (6) To cooperate fully with City and the Equal Employment/Fair Housing Office in connection with any investigation or conciliation effort of the Equal Employment/Fair Housing Office to ensure that the purpose of the provisions against discriminatory employment practices are being carried out.
- (7) To require of all subcontractors having 15 or more employees who hold any subcontract providing for the expenditure of \$2,000 or more in connection with any contract with the City subject to the terms of this chapter that they do not engage in any discriminatory employment practice as defined in this chapter

For the purposes of this Offer and any resulting Contract, Contractor adopts the provisions of the City's Minimum Standard Non-Discrimination and Non-Retaliation Policy set forth below.

**City of Austin**  
**Minimum Standard Non-Discrimination and Non-Retaliation in Employment Policy**

As an Equal Employment Opportunity (EEO) employer, the Contractor will conduct its personnel activities in accordance with established federal, state and local EEO laws and regulations.

The Contractor will not discriminate against any applicant or employee based on race, creed, color, national origin, sex, age, religion, veteran status, gender identity, disability, or sexual orientation. This policy covers all aspects of employment, including hiring, placement, upgrading, transfer, demotion, recruitment, recruitment advertising, selection for training and apprenticeship, rates of pay or other forms of compensation, and layoff or termination.

The Contractor agrees to prohibit retaliation, discharge or otherwise discrimination against any employee or applicant for employment who has inquired about, discussed or disclosed their compensation.

Further, employees who experience discrimination, sexual harassment, or another form of harassment should immediately report it to their supervisor. If this is not a suitable avenue for addressing their complaint, employees are advised to contact another member of management or their human resources representative. No employee shall be discriminated against, harassed, intimidated, nor suffer any reprisal as a result of reporting a violation of this policy. Furthermore, any employee, supervisor, or manager who becomes aware of any such discrimination or harassment should immediately report it to executive management or the human resources office to ensure that such conduct does

not continue.

Contractor agrees that to the extent of any inconsistency, omission, or conflict with its current non-discrimination and non-retaliation employment policy, the Contractor has expressly adopted the provisions of the City's Minimum Non-Discrimination Policy contained in Section 5-4-2 of the City Code and set forth above, as the Contractor's Non-Discrimination Policy or as an amendment to such Policy and such provisions are intended to not only supplement the Contractor's policy, but will also supersede the Contractor's policy to the extent of any conflict.

UPON CONTRACT AWARD, THE CONTRACTOR SHALL PROVIDE THE CITY A COPY OF THE CONTRACTOR'S NON-DISCRIMINATION AND NON-RETALIATION POLICIES ON COMPANY LETTERHEAD, WHICH CONFORMS IN FORM, SCOPE, AND CONTENT TO THE CITY'S MINIMUM NON-DISCRIMINATION AND NON-RETALIATION POLICIES, AS SET FORTH HEREIN, **OR** THIS NON-DISCRIMINATION AND NON-RETALIATION POLICY, WHICH HAS BEEN ADOPTED BY THE CONTRACTOR FOR ALL PURPOSES WILL BE CONSIDERED THE CONTRACTOR'S NON-DISCRIMINATION AND NON-RETALIATION POLICY WITHOUT THE REQUIREMENT OF A SEPARATE SUBMITTAL.

**Sanctions:**

Our firm understands that non-compliance with Chapter 5-4 and the City's Non-Retaliation Policy may result in sanctions, including termination of the contract and suspension or debarment from participation in future City contracts until deemed compliant with the requirements of Chapter 5-4 and the Non-Retaliation Policy.

**Term:**

The Contractor agrees that this Section 0800 Non-Discrimination and Non-Retaliation Certificate of the Contractor's separate conforming policy, which the Contractor has executed and filed with the City, will remain in force and effect for one year from the date of filing. The Contractor further agrees that, in consideration of the receipt of continued Contract payment, the Contractor's Non-Discrimination and Non-Retaliation Policy will automatically renew from year-to-year for the term of the underlying Contract.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_

CONTRACTOR	_____
Authorized Signature	_____
Title	_____

**Section 0835: Non-Resident Bidder Provisions**

Company Name \_\_\_\_\_

- A. Bidder must answer the following questions in accordance with Vernon's Texas Statutes and Codes Annotated Government Code 2252.002, as amended:

Is the Bidder that is making and submitting this Bid a "Resident Bidder" or a "non-resident Bidder"?

Answer: \_\_\_\_\_

- (1) Texas Resident Bidder- A Bidder whose principle place of business is in Texas and includes a Contractor whose ultimate parent company or majority owner has its principal place of business in Texas.
- (2) Nonresident Bidder- A Bidder who is not a Texas Resident Bidder.

- B. If the Bidder is a "Nonresident Bidder" does the state, in which the Nonresident Bidder's principal place of business is located, have a law requiring a Nonresident Bidder of that state to bid a certain amount or percentage under the Bid of a Resident Bidder of that state in order for the nonresident Bidder of that state to be awarded a Contract on such bid in said state?

Answer: \_\_\_\_\_ Which State: \_\_\_\_\_

- C. If the answer to Question B is "yes", then what amount or percentage must a Texas Resident Bidder bid under the bid price of a Resident Bidder of that state in order to be awarded a Contract on such bid in said state?

Answer: \_\_\_\_\_

**Section 0900: SUBCONTRACTING/SUB-CONSULTING UTILIZATION FORM**

**MINORITY- AND WOMEN-OWNED BUSINESS ENTERPRISE (MBE/WBE)  
PROCUREMENT PROGRAM  
Subcontracting/Sub-Consulting ("Subcontractor") Utilization Form**

SOLICITATION NUMBER:  
SOLICITATION TITLE:

In accordance with the City of Austin's Minority and Women-Owned Business Enterprises (M/WBE) Procurement Program (Program), Chapters 2-9A/B/C/D of the City Code and M/WBE Program Rules, this Solicitation was reviewed by the Small and Minority Business Resources Department (SMBR) to determine if M/WBE Subcontractor/Sub-Consultant ("Subcontractor") Goals could be applied. Due to insufficient subcontracting/subconsultant opportunities and/or insufficient availability of M/WBE certified firms, SMBR has assigned no subcontracting goals for this Solicitation. However, Offerors who choose to use Subcontractors must comply with the City's M/WBE Procurement Program as described below. Additionally, if the Contractor seeks to add Subcontractors after the Contract is awarded, the Program requirements shall apply to any Contract(s) resulting from this Solicitation.

**Instructions:**

- a.) Offerors who do not intend to use Subcontractors shall check the "NO" box and follow the corresponding instructions.  
b.) Offerors who intend to use Subcontractors shall check the applicable "YES" box and follow the instructions. **Offers that do not include the following required documents shall be deemed non-compliant or nonresponsive as applicable, and the Offeror's submission may not be considered for award.**

☐ **NO, I DO NOT intend to use Subcontractors/Sub-consultants.**

**Instructions:** Offerors that do not intend to use Subcontractors shall complete and sign this form below (Subcontracting/Sub-Consulting ("Subcontractor") Utilization Form) and include it with their sealed Offer.

☐ **YES, I DO intend to use Subcontractors /Sub-consultants.**

**Instructions:** Offerors that do intend to use Subcontractors shall complete and sign this form below (Subcontracting/Sub-Consulting ("Subcontractor") Utilization Form), and follow the additional Instructions in the (Subcontracting/Sub-Consulting ("Subcontractor") Utilization Plan). Contact SMBR if there are any questions about submitting these forms.

Offeror Information			
Company Name			
City Vendor ID Code			
Physical Address			
City, State Zip			
Phone Number		Email Address	
If the Offeror City of Austin M/WBE certified?	<input type="checkbox"/> NO <input type="checkbox"/> YES      Indicate one: <input type="checkbox"/> MBE <input type="checkbox"/> WBE <input type="checkbox"/> MBE/WBE Joint Venture		

**Offeror Certification:** I understand that even though SMBR did not assign subcontract goals to this Solicitation, I will comply with the City's M/WBE Procurement Program if I intend to include Subcontractors in my Offer. I further agree that this completed **Subcontracting/Sub-Consulting Utilization Form**, and if applicable my completed **Subcontracting/Sub-Consulting Utilization Plan**, shall become a part of any Contract I may be awarded as the result of this Solicitation. Further, if I am awarded a Contract and I am not using Subcontractor(s) but later intend to add Subcontractor(s), before the Subcontractor(s) is hired or begins work, I will comply with the City's M/WBE Procurement Program and submit the **Request For Change** form to add any Subcontractor(s) to the Project Manager or the Contract Manager for prior authorization by the City and perform Good Faith Efforts (GFE), if applicable. I understand that, if a Subcontractor is not listed in my **Subcontracting/Sub-Consulting Utilization Plan**, it is a violation of the City's M/WBE Procurement Program for me to hire the Subcontractor or allow the Subcontractor to begin work, unless I first obtain City approval of my **Request for Change** form. I understand that, if a Subcontractor is not listed in my **Subcontracting/Sub-Consulting Utilization Plan**, it is a violation of the City's M/WBE Procurement Program for me to hire the Subcontractor or allow the Subcontractor to begin work, unless I first obtain City approval of my **Request for Change** form.

\_\_\_\_\_  
Name and Title of Authorized Representative (Print or Type)

\_\_\_\_\_  
Signature/Date

**Section 0905: SUBCONTRACTING/SUB-CONSULTING UTILIZATION PLAN**



**MINORITY- AND WOMEN-OWNED BUSINESS ENTERPRISE (MBE/WBE)  
PROCUREMENT PROGRAM  
Subcontracting/Sub-Consulting ("Subcontractor") Utilization Plan**

SOLICITATION NUMBER:  
SOLICITATION TITLE:

INSTRUCTIONS: Offerors who DO intend to use Subcontractors may utilize M/WBE Subcontractor(s) or perform Good Faith efforts when retaining Non-certified Subcontractor(s). Offerors must determine which type of Subcontractor(s) they are anticipating to use (CERTIFIED OR NON-CERTIFIED), check the box of their applicable decision, and comply with the additional instructions associated with that particular selection.

- ☐ I intend to use City of Austin CERTIFIED M/WBE Subcontractor/Sub-consultant(s).

Instructions: Offerors may use Subcontractor(s) that ARE City of Austin certified M/WBE firms. Offerors shall contact SMBR (512-974-7600 or [SMBRComplianceDocuments@austintexas.gov](mailto:SMBRComplianceDocuments@austintexas.gov)) to confirm if the Offeror's intended Subcontractor(s) are City of Austin certified M/WBE and if these firm(s) are certified to provide the goods and services the Offeror intends to subcontract. If the Offeror's Subcontractor(s) are current valid certified City of Austin M/WBE firms, the Offeror shall insert the name(s) of their Subcontractor(s) into the table below and must include the following documents in their sealed Offer:

- Subcontracting/Sub-Consulting Utilization Form (completed and signed)
- Subcontracting/Sub-Consulting Utilization Plan (completed)

- ☐ I intend to use NON-CERTIFIED Subcontractor/Sub-Consultant(s) after performing Good Faith Efforts.

**Instructions:** Offerors may use Subcontractors that ARE NOT City of Austin certified M/WBE firms ONLY after Offerors have first demonstrated Good Faith Efforts to provide subcontracting opportunities to City of Austin M/WBE firms.

STEP ONE: Contact SMBR for an availability list for the scope(s) of work you wish to subcontract;

STEP TWO: Perform Good Faith Efforts (Check List provided below);

STEP THREE: Offerors shall insert the name(s) of their certified or non-certified Subcontractor(s) into the table below and must include the following documents in their sealed Offer:

- Subcontracting/Sub-Consulting Utilization Form (completed and signed)
- Subcontracting/Sub-Consulting Utilization Plan (completed)
- All required documentation demonstrating the Offeror's performance of Good Faith Efforts (see Check List below)

**GOOD FAITH EFFORTS CHECK LIST –**

When using NON-CERTIFIED Subcontractor/Sub-consultants(s), **ALL** of the following **CHECK BOXES MUST** be completed in order to meet and comply with the Good Faith Effort requirements and all documentation must be included in your sealed Offer. Documentation CANNOT be added or changed after submission of the bid.

- ☐ **Contact SMBR.** Offerors shall contact SMBR (512-974-7600 or [SMBRComplianceDocuments@austintexas.gov](mailto:SMBRComplianceDocuments@austintexas.gov)) to obtain a list of City of Austin certified M/WBE firms that are certified to provide the goods and services the Offeror intends to subcontract out. (Availability List). Offerors shall document their contact(s) with SMBR in the "SMBR Contact Information" table on the following page.
- ☐ **Contact M/WBE firms.** Offerors shall contact all of the M/WBE firms on the Availability List with a Significant Local Business Presence which is the Austin Metropolitan Statistical Area, to provide information on the proposed goods and services proposed to be subcontracted and give the Subcontractor the opportunity to respond on their interest to bid on the proposed scope of work. When making the contacts, Offerors shall use at least two (2) of the following communication methods: email, fax, US mail or phone. Offerors shall give the contacted M/WBE firms at least seven days to respond with their interest. Offerors shall document all evidence of their contact(s) including: emails, fax confirmations, proof of mail delivery, and/or phone logs. These documents shall show the date(s) of contact, company contacted, phone number, and contact person.

**MINORITY- AND WOMEN-OWNED BUSINESS ENTERPRISE (MBE/WBE)**

**PROCUREMENT PROGRAM**

**Subcontracting/Sub-Consulting ("Subcontractor") Utilization Plan**

SOLICITATION NUMBER:

SOLICITATION TITLE:

- ☐ **Follow up with responding M/WBE firms.** Offeror shall follow up with all M/WBE firms that respond to the Offeror's request. Offerors shall provide written evidence of their contact(s): emails, fax confirmations, proof of mail delivery, and/or phone logs. These documents shall show the date(s) of contact, company contacted, phone number, and contact person.
  
- ☐ **Advertise.** Offerors shall place an advertisement of the subcontracting opportunity in a local publication (i.e. newspaper, minority or women organizations, or electronic/social media). Offerors shall include a copy of their advertisement, including the name of the local publication and the date the advertisement was published.
  
- ☐ **Use a Community Organization.** Offerors shall solicit the services of a community organization(s); minority persons/women contractors'/trade group(s); local, state, and federal minority persons/women business assistance office(s); and other organizations to help solicit M/WBE firms. Offerors shall provide written evidence of their Proof of contact(s) include: emails, fax confirmations, proof of mail delivery, and/or phone logs. These documents shall show the date(s) of contact, organization contacted, phone number, email address and contact person.

**MINORITY- AND WOMEN-OWNED BUSINESS ENTERPRISE (MBE/WBE)**

**PROCUREMENT PROGRAM**

**Subcontracting/Sub-Consulting ("Subcontractor") Utilization Plan**

SOLICITATION NUMBER:

SOLICITATION TITLE:

*(Offerors may duplicate this page to add additional Subcontractors as needed)*

Subcontractor/Sub-consultant	
City of Austin Certified	<input type="checkbox"/> MBE <input type="checkbox"/> WBE Ethnic/Gender Code: <input type="checkbox"/> NON-CERTIFIED
Vendor ID Code	
Contact Person	Phone Number:
Additional Contact Info	Fax Number: E-mail:
Amount of Subcontract	\$
List commodity codes & description of services	
Justification for not utilizing a certified MBE/WBE	

Subcontractor/Sub-consultant	
City of Austin Certified	<input type="checkbox"/> MBE <input type="checkbox"/> WBE Ethnic/Gender Code: <input type="checkbox"/> NON-CERTIFIED
Vendor ID Code	
Contact Person	Phone Number:
Additional Contact Info	Fax Number: E-mail:
Amount of Subcontract	\$
List commodity codes & description of services	
Justification for not utilizing a certified MBE/WBE	

SMBR Contact Information			
SMBR Contact Name	Contact Date	Means of Contact	Reason for Contact
		<input type="checkbox"/> Phone <b>OR</b> <input type="checkbox"/> Email	

**FOR SMALL AND MINORITY BUSINESS RESOURCES DEPARTMENT USE ONLY:**

Having reviewed this plan, I acknowledge that the Offeror ☐ HAS or ☐ HAS NOT complied with these instructions and City Code Chapters 2-9A/B/C/D, as amended.

\_\_\_\_\_  
Reviewing Counselor

\_\_\_\_\_  
Date

I have reviewed the completing the Subcontracting/Sub-Consultant Utilization Plan and ☐ Concur ☐ Do Not Concur with the Reviewing Counselor's recommendation.

\_\_\_\_\_  
Director/Assistant Director or Designee

\_\_\_\_\_  
Date



**ADDENDUM  
CITY OF AUSTIN, TEXAS**

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**Solicitation: RFP 7400 SMB0305**

**Addendum No: 1**

**Date of Addendum: 5/15/2017**

---

This addendum is to incorporate the following changes to the above referenced solicitation:

**I. Questions:**

Q1- Who was the last consultant, and are they eligible to submit a proposal in response to this solicitation?

A1- The previous consultant was The Retirement Store. This is an open solicitation and anyone can submit a proposal.

Q2- If our Texas office is located in Austin but our headquarters is not, can we get partial credit for local business presence?

A2- See Section 0600, 5B under Local Business Presence.

Q3- Does the Deferred Compensation Committee have set meetings for the remainder of the year?

A3- The Committee meets every two months, and they schedule meetings about two months out.

Q4- Does the consultant have to be at the Committee meetings in person or can they call in?

A4- For project presentations, the consultant should attend the meeting in person. For regular Committee meetings or brief status check-ins, the consultant can call in.

Q5- Can you release the City of Austin 457 Plan document?

A5- Yes, see attached.

Q6- Can you release the City of Austin 457 Fund Lineup?

A6- Yes, see attached.

Q7- Does the City currently have a contract for a deferred compensation consultant and if so, with whom?

A7- The City does not currently have a contract for a deferred compensation consultant.

Q8- When does the record keeper contract expire?

A8- The record keeper contract expires June 11, 2020.

Q9- Will the City consider firms not located in the Austin area.


A9- Yes.

Q10- When do you expect to award a contract?

A10- The City anticipates awarding a contract this summer.

- II. **Additional Information:** The attendance log from the Pre-Proposal Conference held on May 12, 2017 is attached.
- III. **Extension:** The proposal due date is hereby extended until Thursday, June 1 at 2:00 PM CST. The proposal opening is hereby extended until Thursday, June 1 at 3:00 PM CST. The Offer Sheet has been replaced to reflect the new due date.
- IV. ALL OTHER TERMS AND CONDITIONS REMAIN THE SAME.

APPROVED BY:

  
Liz Lock, Procurement Specialist II  
Purchasing Office, 512-974-2034

  
Date

ACKNOWLEDGED BY:

\_\_\_\_\_  
Name

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Date

**RETURN ONE COPY OF THIS ADDENDUM TO THE PURCHASING OFFICE, CITY OF AUSTIN, WITH YOUR RESPONSE OR PRIOR TO THE SOLICITATION CLOSING DATE. FAILURE TO DO SO MAY CONSTITUTE GROUNDS FOR REJECTION.**

**CITY OF AUSTIN 457(b) DEFERRED COMPENSATION PLAN  
FOR GOVERNMENTAL EMPLOYERS  
PLAN DOCUMENT**

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CITY OF AUSTIN 457(b) DEFERRED COMPENSATION  
PLAN FOR GOVERNMENTAL EMPLOYERS  
PREAMBLE

The City hereby establishes the Code Section 457(b) Deferred Compensation Plan for Governmental Employers (the "Plan").

The Plan is established pursuant to applicable state law and is intended to comply with the provisions of Section 457(b) of the Internal Revenue Code of 1986, as amended, Income Tax Regulations thereunder and applicable law. The Plan consists of the provisions set forth in this basic plan document and the Adoption Agreement, and is applicable to each Eligible Individual.

ARTICLE I  
DEFINITIONS

As used in this Plan, the following words and phrases will have the meanings set forth herein unless a different meaning is clearly required by the context.

1.1 "Administrator" means the person(s), committee or organization appointed or elected by the City pursuant to Section 5.2 to administer the Plan and perform administrative functions for the Plan as specified by the Employer.

1.2 "Adoption Agreement" means the separate agreement that is executed by the Employer and sets forth the elective provisions of the Plan. The Adoption Agreement is considered a part of the Plan.

1.3 "Age 50 Plus Catch-Up Contribution" means the catch-up contribution for Participants who attain age 50 by the end of the calendar year, as permitted under Code Section 414(v) and pursuant to Section 3.3.

1.4 "Beneficiary" means the individual, individuals or trust designated by the Participant in writing on a form acceptable to the Administrator, and received by the Administrator before the Participant's death, to receive any undistributed amounts under the Participant Account which becomes payable upon the Participant's death. A Beneficiary may designate his own Beneficiary. If a Participant or Beneficiary does not designate a Beneficiary in a form acceptable to the Administrator, then his estate will be deemed to be his Beneficiary. In addition, any Beneficiary designation will meet the requirements of applicable state law.

1.5 "Code" means the Internal Revenue Code of 1986, as now in effect or as hereafter amended. All citations to sections of the Code are to such sections as they may from time to time be amended or renumbered.

1.6 "Compensation" means for an Employee all cash compensation for services to the Employer, including salary, wages, fees, commissions, bonuses, and overtime pay, that is



includible in the Employee's gross income for the calendar year, plus amounts that would be cash compensation for services to the Employer includible in the Employee's gross income for the calendar year but for a compensation reduction election under Code Sections 125, 132(f), 401(k), 403(b) or 457(b) (including an election under Article III to defer Compensation under the Plan). For purposes of an Independent Contractor, "Compensation" will mean all amounts payable to a Participant from the Employer as remuneration for services rendered which would be includible in income for federal tax purposes if not deferred under this Plan, subject to the provisions of the current Code.

1.7 "Deferrals" means the amount of Compensation deferred by a Participant to the Plan, comprising of Elective Deferrals and, if elected by the Employer in the Adoption Agreement and the Participant so elects on a Participation Agreement, Roth 457(b) Contributions.

1.8 "Elective Deferrals" means amounts made by the Employer to the Plan on a voluntary pre-tax basis pursuant to a Participation Agreement entered into by a Participant,

1.9 "Eligible Individual" means any Employee who is in one or more of the classifications specified in the Adoption Agreement, and, if elected by the Employer, may include Independent Contractors.

1.10 "Employee" means any common law employee who is employed by the Employer and who performs services for the Employer for which Compensation is payable.

1.11 "Employer" means the City of Austin.

1.12 "Includible Compensation" means an Employee's actual wages in box 1 of Form W-2 for the Employer, but increased (up to the dollar maximum) by any compensation reduction election under Code Section 125, 132(f), 402(g)(3) or 457(b). The amount of Includible Compensation is determined without regard to any community property laws. Pursuant to Section 1.457-4(d)(1) of the Income Tax Regulations, Includible Compensation will include any payments made to a Participant who has had a Severance from Employment, provided that the Includible Compensation is paid by the later of 2 ½ months after the Participant's Severance from Employment or the end of the calendar year that contains the date of such Participant's Severance from Employment. In addition, pursuant to Section 1.457-4(d)(1) of the Income Tax Regulations, Includible Compensation will include payments made to an individual who does not currently perform services for the Employer by reason of qualified military service (as defined in Code Section 414(u)(5)) to the extent those payments do not exceed the amount the individual would have received if the individual had continued to perform services for the Employer rather than enter qualified military service. Includible Compensation will not include Employee pick-up contributions described in Code Section 414(h)(2).

1.13 "Independent Contractor" means any person to whom Compensation from the Employer is payable for services rendered pursuant to one or more written or oral contracts, if such person is not a common-law employee.

1.14 “In-Plan Roth Rollover” means a rollover contribution to the Plan that consists of a distribution from an Elective Deferral Account, a 457(b) Rollover Account or a non-457(b) Rollover Account under the Plan that the Participant rolls over to the Participant’s In-Plan Roth 457(b) Rollover Account in the Plan, in accordance with Code Section 402A(c)(4).

1.15 “Investment Product” means group or individual annuity contracts or such other investment arrangements issued by or offered through the Provider and used to hold assets of the Plan.

1.16 “Normal Retirement Age” means the age as elected by the Employer in the Adoption Agreement that is used for the Special 457 Catch-up Contribution election under Section 3.2. The Employer is not permitted to have more than one Normal Retirement Age for each Participant under all plans under Code Section 457(b) that it (together with any other entity required to be aggregated with the Employer under Code Section 414(b), (c), (m) or (o)) sponsors.

1.17 “Participant” means any individual who has entered into a Participation Agreement to make Deferrals under the Plan or has previously made Deferrals under the Plan and who has not yet received a distribution of his entire Participant Account under the Plan. As appropriate, a Participant means a Beneficiary or an alternate payee as defined in Code Section 414(p)(8).

1.18 “Participant Account” means the following accounts established for the Participant and maintained by the Administrator for each Participant, including any earnings and losses attributable thereon:

- (a) Elective Deferral Account,
- (b) Roth 457(b) Contributions Account,
- (c) 457(b) Rollover Account,
- (d) Non-457(b) Rollover Account,
- (e) Roth 457(b) Rollover Account,
- (f) Roth Non-457(b) Rollover Account,
- (g) Rollover of In-Plan Roth Non-457(b) Rollover Account; and
- (h) In-Plan Roth 457(b) Rollover Account.

1.19 “Participation Agreement” means an agreement, which meets the requirements of Section 2.4, entered into between an Eligible Individual and the Employer pursuant to which an Eligible Individual agrees to defer Elective Deferrals and/or Roth 457(b) Contributions to the Plan and thus to become a Participant.

1.20 “Plan” means the name of the Plan as indicated in the Adoption Agreement.

1.21 “Plan Year” means the Plan's 12-consecutive month accounting year as elected by the Employer in the Adoption Agreement.

1.22 “Provider” means ING Life Insurance and Annuity Company and/or ReliaStar Life Insurance Company or such other provider entity as the Employer may approve.

1.23 “Rollover Contribution” means, if so elected by the Employer in the Adoption Agreement, contributions made by a Participant (or, if applicable, Eligible Individual) of “eligible rollover distributions” in accordance with Code Section 402(c)(4).

1.24 “Roth 457(b) Contributions” means, if so elected by the Employer in the Adoption Agreement, contributions that are:

(a) made by the Employer to the Plan pursuant to a Participation Agreement entered into by a Participant, which qualifies as a “designated Roth contribution” within the meaning of Code Section 402A;

(b) irrevocably designated by the Participant at the time of the cash or deferred election as a Roth 457(b) Contribution that is being made in lieu of all or a portion of the Elective Deferrals the Participant is otherwise eligible to make under the Plan; and

(c) treated by the Employer as includible in the Participant’s income at the time the Participant would have received that amount in cash if the Participant had not made a cash or deferred election.

1.25 “Severance from Employment” means the date on which the Employee dies, retires or otherwise has a severance from employment with the Employer, as determined by the Administrator.

1.26 “Special Section 457 Catch-up Contributions” means the catch-up contribution for a Participant in the three consecutive years prior to the year in which the Participant reaches Normal Retirement Age, as permitted under Code Section 457(b)(3) and pursuant to Section 3.2.

1.27 “Unforeseeable Emergency” means a financial hardship of the Participant or Beneficiary resulting from:

(a) An illness or accident of:

- (1) the Participant or the Beneficiary
- (2) the spouse of the Participant or Beneficiary, or
- (3) the dependent of the Participant or Beneficiary;

(b) Loss of the Participant’s or Beneficiary’s property due to casualty; or

(c) Similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the Participant or Beneficiary.

In addition, if elected by the Employer in the Adoption Agreement, an Unforeseeable Emergency means a severe financial hardship of the Participant resulting from an illness or accident of a primary Beneficiary designated by the Participant under the Plan.

A determination of an Unforeseeable Emergency will be based on each Participant's and Beneficiary's specific facts and circumstances.

## ARTICLE II PARTICIPATION

### 2.1 Eligibility

Each Eligible Individual will be a Participant in the Plan when he satisfies the eligibility requirements specified by the Employer in the Adoption Agreement and has executed a Participation Agreement.

### 2.2 Determination of Eligibility and Effective Date of Participation

(a) The Administrator will determine whether an Eligible Individual has satisfied the eligibility requirements specified by the Employer in the Adoption Agreement based upon information furnished by the Employer. Such determination will be conclusive and binding and the criteria for such determination will be applied uniformly to all Participants.

(b) The Participant will provide investment direction for contributions made to an Investment Product on such forms as may be required by the Provider.

### 2.3 Termination of Eligibility

In the event a Participant will go from a classification of an Eligible Individual to a non-Eligible Individual, such Participant will not be able to make Deferrals to the Plan until he is again reclassified as an Eligible Individual. The Participant Account of such inactive Participant will continue to be allocated any attributable earnings and losses based on the investment direction supplied by the Participant.

### 2.4 Participation Agreements

(a) In order to participate in the Plan, a Participant must complete a Participation Agreement with the Employer and file such Participation Agreement in a manner and method determined by the Administrator. The Participation Agreement will specify:

- (1) The amount (expressed either as a dollar amount or as a percentage) of the Participant's Compensation which the Participant agrees to make as Deferrals, subject to the limitations of Article III; and
- (2) The date as of which Deferrals pursuant to the Participation Agreement will begin.

(b) A Participant may make Deferrals payable in the calendar month during which the Eligible Individual first becomes a Participant if the Participation Agreement providing for such

Deferrals is entered into before the first day of the month in which the Compensation is paid or becomes available.

(c) Notwithstanding subsection (b), a new Employee who is also an Eligible Individual may become a Participant and make Deferrals payable in the calendar month during which he first becomes an Employee if a Participation Agreement providing for the Deferrals is entered into on or before the first day on which he performs services for the Employer.

(d) A Participant may, by amendment of a Participation Agreement or by any manner as the Administrator may prescribe, do any of the following:

- (1) change the specification of the investment for any contributions to a Participant Account under an Investment Product; or
- (2) change prospectively the amount of Deferrals.

An amendment to the Participation Agreement will be effective as early as administratively practicable, but not earlier than the first day of the following calendar month in which the Compensation is paid or made available.

## 2.5 Information Provided by the Employee

Each Eligible Individual enrolling in the Plan should provide to the Administrator at the time of initial enrollment, and later if there are any changes, any information necessary for the Administrator to administer the Plan, including, without limitation, whether he is a participant in any other eligible plan under Code Section 457(b).

## 2.6 Contributions Made Promptly

All contributions under the Plan will be transferred to the applicable Investment Product within a period that is not longer than is reasonable for the proper administration of the Participant Accounts. For purposes of this requirement, Deferrals under the Plan by a Participant must be transferred to the Investment Product within 15 business days following the month in which these amounts would otherwise have been paid to the Participant.

## 2.7 Leave of Absence

Unless an election is otherwise revised, if an Employee is absent from work by leave of absence, Deferrals under the Plan will continue to the extent that Compensation continues.

## ARTICLE III CONTRIBUTIONS AND LIMITATIONS

### 3.1 Deferrals

(a) Except as provided in Section 3.2 and 3.3 and subject to any applicable law or under any applicable collective bargaining agreement, the maximum amount of Deferrals which may be made by a Participant in any taxable year will not exceed the lesser of (1) the applicable dollar amount provided under Code Section 457(b)(2) (adjusted for cost of living under Code Section 457(e)(15)) or (2) 100% of the Participant's Includible Compensation.

(b) If elected by the Employer in the Adoption Agreement, a Participant may elect to make Deferrals from accumulated sick pay, accumulated vacation pay and back pay, provided the Participant enters into a Participation Agreement pursuant to Section 2.4 to make such Deferrals before the amounts would otherwise be paid or made available. A Participant who is a former Employee may make Deferrals from accumulated sick pay, vacation pay and back pay, provided that the Participant enters into a Participation Agreement pursuant to Section 2.4 prior to the first day of the calendar month to make such Deferrals before the amounts would otherwise be paid or made available, provided that such amounts are payable within the later of 2 ½ months after the Participant's Severance from Employment or the end of the calendar year that includes the date of the Participant's Severance from Employment.

### 3.2 Special 457 Catch-Up Contributions

(a) In any one or more of a Participant's last three calendar years ending before the year in which the Participant attains Normal Retirement Age, as defined by the Employer in the Adoption Agreement, the Participant may elect to make Deferrals in an amount not exceeding the lesser of (1) twice the dollar amount permitted as a general deferral under Section 3.1 or (2) the sum of the maximum deferral permitted under Section 3.1 for the current tax year and as much of the applicable deferral limit under Code Section 457(b)(2) in prior years before the current tax year that had not previously been used ("underutilized amount"). For purposes of this Section, a prior year will be taken into account only if such year began after December 31, 1978, and the Participant was eligible to participate in the Plan during all or a portion of the prior year. A Participant may only make this election under this subsection once with respect to any plan under Code Section 457(b) of the Employer.

(b) In determining a Participant's underutilized amount, the Plan will take into consideration:

- (1) Prior to 2002, if a Participant made Deferrals to the Plan and deferrals to any other plan under Code Section 457(b), salary reduction contributions made to plans under Code Section 401(k), plans under Code Section 403(b), simplified employee pension (SARSEP) plans under Code Section 402(h)(1), simple retirement accounts under Code Section 408(p), and amounts deferred under any plan for which a deduction is allowed because of a contribution to an organization described in Code Section 501(c)(18),

such deferrals to the other plans will be taken into account in determining a Participant's underutilized amount under Code Section 457(b)(2). In addition, Includible Compensation will be limited to the limitation in effect in the calendar year in which the deferrals were made. If such deferrals cumulatively exceed the then-applicable dollar amount in Code Section 457(b)(2) in the year that such amounts were deferred, then there will be no underutilized amount for that year.

- (2) To the extent that the Employer did not maintain a plan under Code Section 457(b), no underutilized limitation is available to a Participant for that prior year.
- (3) After 2001, only deferrals to plans under Code Section 457(b) will be taken into account for purposes of determining the underutilized amount.
- (4) Age 50 Plus Catch-Up Contributions will not be taken into account for purposes of determining a Participant's underutilized amount.

### 3.3 Age 50 Plus Catch-Up Contributions

If elected by the Employer in the Adoption Agreement, a Participant who has attained age 50 before the close of the calendar year may elect Age 50 Plus Catch-up Contributions. Such contributions are not subject to the limitations of Code Section 457(b). The maximum dollar amount of the Age 50 Plus Catch-up Contributions for a calendar year adjusted for cost of living under Code Section 414(v)(2)(C).

### 3.4 Maximum Amount of Catch-Up Contributions

Any catch-up contributions made by a Participant pursuant to Section 3.2 or Section 3.3 may not exceed the greater of (a) the amount that the Participant is eligible to make as Deferrals under Section 3.2 or (b) the amount that the Participant is eligible to make as Deferrals under Section 3.3.

### 3.5 Participant Covered by More than one 457(b) Plan

If a Participant is or has been a participant in one or more other plans under Code Section 457(b) in the same calendar year, then the Plan and all such other plans will be considered as one plan for purposes of applying the limitations of this Article III. For this purpose, the Administrator will take into account any other such plan of the Employer under Code Section 457(b) and, to the extent the Participant provides the Administrator with sufficient information concerning his participation, any such other plans under Code Section 457(b) in which the individual participated in the same calendar year.

### 3.6 Excess Deferrals

(a) In the event that the limit on Deferrals is exceeded pursuant to this Article III, the Administrator will direct the Provider as to the proper correction method permissible under applicable law, including calculation of any earnings or losses and the proper tax reporting with

respect to such distributions as soon as administratively practicable after the Administrator determines that the amount is an excess deferral.

(b) A Participant who participates in the Plan and another 457(b) plan of another employer will be responsible for complying with the deferral limits of this Article III. In the event of an excess amount, the Participant will notify the Administrator so that the excess may be distributed as soon as practicable after the Administrator determines that the amount is an excess deferral.

### 3.7 Transfers from Other Plans under Code Section 457(b)

(a) If elected by the Employer in the Adoption Agreement, the Plan will accept transfers of amounts previously deferred under another plan under Code Section 457(b) maintained by another employer as defined in Code Section 457(e)(1)(A).

(b) A transfer under subsection (a) will only be permitted if:

- (1) the transferring plan provides for the transfer of such amounts, and
- (2) the Participant has a benefit equal to the amount immediately after the transfer to least equal to the amount under the Plan immediately before the transfer.

(c) The Administrator may require such documentation from the transferring plan as it deems necessary to effectuate the transfer in accordance with Section 1.457-10(b) of the Income Tax Regulations and to confirm that the transferring plan is an eligible government plan as defined in Section 1.457-2(f) of the Income Tax Regulations. The amount so transferred will be credited to the appropriate account under the Participant Account and will be held, accounted for, administered and otherwise treated in the same manner as amounts as held in the transferor plan, except that the transferred amounts will not be taken into consideration for purposes of Code Section 457(b)(2) for the year of transfer.



### 3.8 Rollovers to the Plan

(a) The Employer may elect in the Adoption Agreement to permit an Eligible Individual, whether a Participant at the time, to rollover amounts that are considered eligible rollover distributions as defined in Code Section 402(c)(4) to the Plan from an eligible retirement plan, as defined in Code Section 402(c)(8)(B).

(b) Amounts (other than designated Roth contributions as defined in Code Section 402A) rolled over from another Code Section 457(b) plan maintained by an employer defined in Code Section 457(e)(1)(A) will be allocated to the Participant's 457(b) Rollover Account. Amounts (other than designated Roth contributions as defined in Code Section 402A) rolled over from an eligible retirement plan that is not a Code Section 457(b) plan will be allocated to the Participant's Non-457(b) Rollover Account.

(c) Designated Roth contributions as defined in Code Section 402A rolled over from another Code Section 457(b) plan maintained by an employer as defined in Code Section 457(e)(1)(A) will be allocated to the Participant's Roth 457(b) Rollover Account. Designated Roth contributions as defined in Code Section 402A rolled over from an eligible retirement plan that is not a Code Section 457(b) plan will be allocated to the Participant's Roth Non-457(b) Rollover Account.

(d) Designated Roth contributions relating to in-plan rollovers under Code Section 402A(c)(4) rolled over from an eligible retirement plan that is not a Code Section 457(b) plan will be allocated to the Participant's Rollover of In-Plan Roth Non-457(b) Rollover Account.

(e) Amounts attributable to In-Plan Rollovers will be allocated to an In-Plan Roth 457(b) Rollover Account. In-Plan Roth Rollover Contributions will be subject to the Plan rules related to Roth 457(b) Contributions.

### 3.9 Investments

Subject to Section 5.9, amounts contributed to the Plan will be invested in an Investment Product. Participants will direct the investment of their Participant Accounts among the investment options available under the Investment Product. Contributions will be allocated to a Participant Account in accordance with this Article III and earnings and losses attributable to such contributions will be allocated to such Participant Account. If any provision of an Investment Product agreement is not consistent with the Plan provisions, the terms of the Plan will control.

### 3.10 Protection of Persons Who Serve In a Uniformed Service

(a) An Employee whose employment is interrupted by qualified military service under Code Section 414(u) or who is on a leave of absence for qualified military service under Code Section 414(u) may elect to make additional Deferrals upon resumption of employment with the Employer equal to the maximum Deferrals that the Employee could have elected during

that period if the Employee's employment with the Employer had continued (at the same level of Compensation) without the interruption or leave, reduced by the Deferrals, if any, actually made for the Employee during the period of the interruption or leave. Except to the extent provided under Code Section 414(u), this right applies for five years following the resumption of employment (or, if sooner, for a period equal to three times the period of the interruption or leave).

(b) In the case of a Participant who dies while performing qualified military service (as defined in Code Section 414(u)), the Beneficiaries are entitled to any additional benefits (other than Deferrals relating to the period of qualified military service) provided under the Plan had the Participant resumed employment and then had a Severance from Employment on account of death.

## ARTICLE IV BENEFIT DISTRIBUTIONS

### 4.1 Distributions Under the Plan

(a) A Participant Elective Deferral Account, Roth 457(b) Contributions Account or In-Plan Roth 457(b) Rollover Account may not be paid to a Participant (or, if applicable, the Beneficiary) until one of the following events has occurred:

- (1) upon the Participant's Severance from Employment;
- (2) the calendar year in which the Participant attains age 70 ½;
- (3) an Unforeseeable Emergency, within the meaning of and subject to Section 4.6, if elected by the Employer in the Adoption Agreement; or
- (4) the election of a small balance distribution within the meaning of and subject to Section 4.7, if elected by the Employer in the Adoption Agreement.

(b) A Participant may choose to receive a distribution from his 457(b) Rollover Account, Non-457(b) Rollover Account, Roth 457(b) Rollover Account, Rollover of In-Plan Roth Non-457(b) Rollover Account and Roth Non-457(b) Rollover Account at the time elected by the Employer in the Adoption Agreement.

(c) An Independent Contractor will be considered to have a Severance from Employment upon the expiration of all of the contracts under which services are performed for the Employer, if the expiration constitutes a good faith and complete termination of the contractual relationship. An expiration of such contractual relationship will not be considered to be a good faith and complete termination if the Employer anticipates a renewal of such contractual relationship or the Independent Contractor becomes an Employee.

4.2 Distributions from a Roth 457(b) Contributions Account, a Roth 457(b) Rollover Account, a Roth Non-457(b) Rollover Account, a Rollover of In-Plan Roth Non-457(b) Rollover Account and an In-Plan Roth 457(b) Rollover Account, will be tax-free for federal income tax purposes if:

- (1) The distribution meets the requirements of Section 4.1(a);
- (2) The amounts are held for a 5-year holding period, measured from the first year that the initial Roth 457(b) Contribution was made on behalf of the Participant to a Roth 457(b) Contributions Account, and
- (3) The distribution is due to a Participant's attainment of age 59 ½, death, or in the event of the Participant's becoming Disabled.

#### 4.3 Determination of Benefits Payable to a Participant

- (a) Upon attainment of a distributable event described in Section 4.1, but in no event later than the requirement to commence minimum distribution payments in accordance with Code Section 401(a)(9) and the Income Tax Regulations thereunder, a Participant may elect a benefit distribution option to which benefits will be paid.
- (b) Upon a Participant's application for benefits, the Administrator will direct the distribution of a Participant Account in accordance with this Section 4.2.
- (c) A Participant may choose a benefit distribution option as elected by the Employer in the Adoption Agreement. In the event a Participant fails to make an election as to a benefit distribution option, any benefit payable to such Participant will be distributed as elected by the Employer in the Adoption Agreement. The terms of any annuity contract purchased and distributed by the Plan to a Participant will comply with the requirements of the Plan.

#### 4.4 Determination of Benefits Upon Death

- (a) Upon the death of a Participant, the Administrator will direct that the deceased Participant's Participant Account, be distributed to the Beneficiary in accordance with the provisions of this Section.
- (b) The designation of a Beneficiary will be made on a form satisfactory to the Administrator. A Participant or Beneficiary may at any time revoke his designation of a Beneficiary or change his Beneficiary by filing written notice of such revocation or change with the Administrator. In the event no valid designation of Beneficiary exists at the time of the Participant's or Beneficiary's death, the death benefit will be payable to the Participant's or Beneficiary's estate.
- (c) The Administrator may require such proper proof of death and such evidence of the right of any person to receive payment of the value of the Participant Account of a deceased Participant or Beneficiary, as the Administrator may deem appropriate. The Administrator's determination of death and of the right of any person to receive payment will be conclusive.
- (d) Death benefits payable to a Beneficiary will be made in a form as selected by the Beneficiary in accordance with the available options as elected by the Employer in the Adoption

Agreement. In the event a Beneficiary fails to make an election as to a benefit distribution option, any benefit payable to such Beneficiary will be distributed in accordance with Code Section 401(a)(9). The terms of any annuity contract purchased and distributed by the Plan to a Beneficiary will comply with the requirements of the Plan.

#### 4.5 Minimum Distributions.

(a) All distributions under the Plan will comply with the minimum distribution requirements of Code Section 401(a)(9) and the Income Tax Regulations.

((b) Notwithstanding the foregoing, a Participant or Beneficiary who would have been required to receive required minimum distributions for 2009 but for the enactment of Code Section 401(a)(9)(H) ("2009 RMDs"), and who would have satisfied that requirement by receiving distributions that are (1) equal to the 2009 RMDs or (2) one or more payments in a series of substantially equal distributions (that include the 2009 RMDs) made at least annually and expected to last for the life (or life expectancy) of the Participant, the joint lives (or joint life expectancy) of the Participant and the Participant's Beneficiary, or for a period of at least 10 years ("Extended 2009 RMDs"), will not receive those distributions for 2009 unless the Participant or Beneficiary chooses to receive such distributions. Participants and Beneficiaries described in the preceding sentence will be given the opportunity to elect to receive the distributions described in the preceding sentence.

(c) In addition, notwithstanding Section 4.8, 2009 RMDs and Extended 2009 RMDs will be treated as eligible rollover distributions as defined in Code Section 402(c)(4).

#### 4.6 Unforeseeable Emergency Withdrawals

(a) If elected by the Employer in the Adoption Agreement, a Participant or Beneficiary may request an Unforeseeable Emergency withdrawal subject to the following requirements:

- (1) The request for an Unforeseeable Emergency withdrawal will be determined by the Administrator based on the Participant's or Beneficiary's relevant facts and circumstances.
- (2) The request for an Unforeseeable Emergency may be made only to the extent that such emergency is or may not be relieved through:
  - reimbursement or compensation from insurance or otherwise;
  - liquidation of the Participant's or Beneficiary's assets, to the extent the liquidation of such assets would not itself cause severe financial hardship; or
  - cessation of the Participant's Deferrals to the Plan.
- (3) Distributions due to an Unforeseeable Emergency must be limited to the amount reasonably necessary to satisfy the emergency need (which may

include any amounts necessary to pay federal, state, or local income taxes or penalties reasonably anticipated to result from the distribution).

(b) A Participant or Beneficiary may request an Unforeseeable Emergency withdrawal by submitting that request in writing on the Plan's approved form to the Administrator, who will review and approve the request. If the request is denied, a request for review of the determination may be made in writing to such entity as the Administrator may designate, provided that such entity has accepted the designation. If the review of the determination fails to confirm a claim of Unforeseeable Emergency, an appeal may be made to the appellate committee established by the Administrator in writing. If at any time a request of an Unforeseeable Emergency withdrawal is approved, the Employer may thereupon direct the Provider to distribute so much of the Participant Account as is necessary to provide the amount approved to meet the Unforeseeable Emergency, as determined by the Administrator.

(c) Unforeseeable Emergency withdrawals will be made in accordance with the procedures established by the applicable Provider's Investment Products.

#### 4.7 Small Balance Distribution

If elected by the Employer in the Adoption Agreement and upon proper written request, a Participant may elect to receive a small balance distribution, payable in a lump sum, if the Participant's Deferral Account value is \$5,000 or less, and the Participant has not made Deferrals to the Plan for a period of two years before distribution. A Participant may take a small balance distribution under this Section only once while a Participant under the Plan.

#### 4.8 Rollovers From The Plan

(a) Notwithstanding any provision of the Plan to the contrary, a Participant, a surviving spouse who is the designated Beneficiary of the Participant or a spouse or former spouse who is the alternate payee will be permitted to elect to have any eligible rollover distribution as defined in Code Section 402(c)(4) paid directly to an eligible retirement plan as defined in as defined in Code Section 402(c)(8)(B) or to a Roth IRA established under Code Section 408A specified by the Participant. The Participant will, in the time and manner prescribed by the Administrator, specify the amount to be rolled over and the eligible retirement plan to receive such rollover. Any portion of a distribution which is not rolled over will be distributed directly to the Participant.

(b) A non-spousal Beneficiary may elect to roll over death benefits amounts in accordance with Code Section 402(c)(11) provided that:

- (1) such amounts are rolled over to an inherited IRA via a direct trustee-to-trustee transfer;
- (2) such election is made by December 31 of the year following the year of the Participant's death; and
- (3) the rolled over amounts are eligible rollover distributions as defined in Code Section 402(c)(4).

#### 4.9 Permissive Service Credit Transfers

(a) If a Participant is also a participant in a tax qualified defined benefit governmental plan (as defined in Code Section 414(d)) that provides for the acceptance of plan-to-plan transfers with respect to the Participant, then the Participant may elect to have any portion of his Participant Account transferred to the defined benefit governmental plan in accordance with Code Section 457(e)(17). A transfer under this Section may be made before the Participant has had a Severance from Employment.

(b) A transfer may be made under subsection (a) only if the transfer is either for the purchase of permissive service credit (as defined in Code Section 415(n)(3)(A)) under the receiving defined benefit governmental plan or a repayment to which Code Section 415 does not apply by reason of Code Section 415(k)(3).

#### 4.10 Transfers to Other Plans under Code Section 457(b) Upon Severance From Employment

(a) Upon a Participant's Severance from Employment, a Participant may elect to have all or a portion of the Participant Account transferred to the plan under Code Section 457(b) of an employer defined in Code Section 457(e)(1)(A). Such amounts will be transferred at the Participant's election, provided:

- (1) The plan under Code Section 457(b) to which the Participant's benefit is being transferred provides for the acceptance of such amounts;
- (2) The Participant or Beneficiary has a benefit equal to the amount immediately after the transfer to least equal to the amount under the Plan immediately before the transfer; and
- (3) In the case of a transfer made on behalf of a Participant, such individual has had a Severance from Employment with the Employer and is performing services for the employer maintaining the receiving plan.

(b) Upon the transfer of amounts under subsection (a), the Plan's liability to pay benefits to the Participant or Beneficiary under the Plan will be discharged to the extent of the amount so transferred on behalf of the Participant or Beneficiary. The Administrator may

require such documentation from the receiving plan as it deems appropriate or necessary to comply with this Section or effectuate the transfer pursuant to Section 1.457-10(b) of the Income Tax Regulations. If Roth 457(b) Contributions are transferred, the receiving plan must permit Designated Roth contributions as defined in Code Section 402A.

#### 4.11 Loans to Participants

(a) If elected by the Employer in the Adoption Agreement, a Participant may receive a loan from his Elective Deferral Account, 457(b) Rollover Account and non-457(b) Rollover Account. Such loans may also be subject to the requirements of the Investment Product.

(b) For purposes of this Section, all plans of the Employer will be considered one plan in accordance with Code Section 72(p) and Income Tax Regulations thereunder, and the balance of all loans under any plan of the Employer under which the Participant participates must be aggregated in determining the maximum loan available under subsection (d).

(c) The Provider may, in accordance with the Administrator's direction, make loans to Participants under the following circumstances: (1) loans will be made available to all Participants on a reasonably equivalent basis; (2) loans will bear a reasonable rate of interest; (3) loans will be adequately secured; and (4) will provide for periodic repayment over a reasonable period of time.

(d) No loan made pursuant to this Section will exceed the lesser of:

- (1) \$50,000 reduced by the excess (if any) of the highest outstanding balance of loans from the Plan to the Participant during the one-year period ending on the day before the date on which such loan is made, over the outstanding balance of loans from the Plan to the Participant on the date on which such loan was made, or
- (2) one-half (1/2) of the Participant Account.

For purposes of this Section, any loan from any other plan maintained by the Employer will be treated as if it were a loan made from the Plan, and the Participant's vested interest under any such other plan will be considered a vested interest under this Plan; provided, however, that the provisions of this paragraph will not be applied so as to allow the amount of a loan to exceed the amount that would otherwise be permitted in the absence of this paragraph.

(e) Loans will provide for level amortization with payments to be made not less frequently than quarterly over a period not to exceed five (5) years. However, loans used to acquire any dwelling unit which, within a reasonable time, is to be used (determined at the time the loan is made) as a principal residence of the Participant will, provide for periodic repayment over a reasonable period to be determined by the Administrator of time that may exceed five (5) years. Notwithstanding the foregoing, in the event a Participant enters the uniformed services of the United States and retains reemployment rights under law, repayments will be suspended and interest will cease to accrue during the period of leave and the period of repayment will be

extended by the number of months of leave in the uniformed services. In the event a Participant is on an Employer approved, bona fide leave of absence without pay, loan payments may be suspended (but interest will continue to accrue) for the period of leave but not to exceed one year; however, the loan must be repaid by the original loan repayment date.

(f) An assignment or pledge of any portion of a Participant's interest in the Plan will be treated as a loan under this Section.

(g) Any security interest held by the Plan by reason of an outstanding loan to the Participant will be taken into account in determining the amount of the death benefit or single lump-sum payment.

#### 4.12 Distributions from Governmental Plans for Health and Long Term Care.

If elected by the Employer in the Adoption Agreement and pursuant to Code Section 457(a)(3), annual distributions of up to \$3,000 from the Plan that would otherwise be taxable, are excludable for income tax purposes if the following conditions are satisfied: (1) the distribution is used to pay for qualified health insurance premiums (accident, health insurance or long term care) for an eligible public safety officer, or spouse or dependent of the public safety officer, (2) the public safety officer is separated from service due to disability or attainment of the age which the Participant has the right to retire and receive unreduced retirement benefits from the Employer's basic pension plan, and (3) the distributions are paid directly to the insurer or to the administrator of a self-insured plan.

### ARTICLE V ADMINISTRATION

#### 5.1 Powers and Responsibilities of the Employer

(a) The Employer will have full power to interpret and construe the Plan in a manner consistent with its terms and the provisions of Code Section 457, including the applicable Income Tax Regulations and to establish practices and procedures conforming to those provisions. In all such cases, the Employer's determination will be final and conclusive upon all persons. It is recognized that unusual circumstances may occur and questions may arise that are not specifically covered by any provision of the Plan, and the Employer will have the right to resolve all such questions. Notwithstanding the above, the Employer's power and responsibility under the Plan will not extend to, nor have any control over, those responsibilities and duties of the Provider.

(b) The Employer will be empowered to appoint and remove the Administrator from time to time as it deems necessary for the proper administration of the Plan to assure that the Plan is being operated for the exclusive benefit of the Participants and their Beneficiaries in accordance with the terms of the Plan and the Code.



(c) The Employer will periodically review the performance of any person to whom duties have been delegated or allocated by it under the provisions of this Plan or pursuant to procedures established hereunder. This requirement may be satisfied by formal periodic review by the Employer or by a qualified person specifically designated by the Employer, through day-to-day conduct and evaluation, or through other appropriate ways.

## 5.2 Designation of Administrative Authority

The Employer may appoint a committee ("Committee") of one or more persons to serve as the Administrator and to discharge the Administrator's responsibilities under the Plan. The Employer may remove a Committee member for any reason by giving such member ten (10) days written notice and may thereafter fill any vacancy thus created. If the Employer does not appoint a Committee to administer the Plan, the Employer will be the Administrator.

## 5.3 Allocation and Delegation of Responsibilities

If more than one person is appointed as Administrator, the responsibilities of each Administrator may be specified by the Employer and accepted in writing by each Administrator. In the event that the Employer makes no such delegation, the Administrators may allocate the responsibilities among themselves, in which event the Administrators will notify the Employer in writing of such action and specify the responsibilities of each Administrator.

## 5.4 Powers and Duties of the Administrator

The primary responsibility of the Administrator is to administer the Plan for the benefit of the Participants and their Beneficiaries, subject to the specific terms of the Plan. The Administrator will administer the Plan in accordance with its terms and will have the power and discretion to construe the terms of the Plan and determine all questions arising in connection with the administration, interpretation, and application of the Plan. Any such determination by the Administrator will be conclusive and binding upon all persons. The Administrator may establish procedures, correct any defect, supply any information, or reconcile any inconsistency in such manner and to such extent as will be deemed necessary or advisable to carry out the purpose of the Plan; provided, however, that any procedure, discretionary act, interpretation or construction will be done in a nondiscriminatory manner based upon uniform principles consistently applied and will be consistent with the intent that the Plan will continue to be deemed a qualified plan under the terms of Code Section 457, and will comply with the terms of all Income Tax Regulations issued pursuant thereto. The Administrator will have all powers necessary or appropriate to accomplish his duties under this Plan. The Administrator will be charged with the duties of the general administration of the Plan, including, but not limited to, the following:

(a) the discretion to determine all questions relating to the eligibility of Employees and Independent Contractors to participate or remain a Participant hereunder and to receive benefits under the Plan;

(b) determine the amounts to be contributed to each Participant Account;

(c) to authorize and direct the Provider with respect to all disbursements to which a Participant is entitled under the Plan;

(d) to maintain all necessary records for the administration of the Plan;

(e) to maintain practices and procedures necessary to administer the Plan as are consistent with the terms hereof;

(f) to determine the type of any Investment Product to be purchased from the Provider; and

(g) to assist any Participant regarding his rights, benefits, or elections available under the Plan.

#### 5.5 Records and Reports

The Administrator will keep a record of all actions taken and will keep all other books of accounts, records, and other data that may be necessary for proper administration of the Plan and will be responsible for supplying all information and reports to the Internal Revenue Service, Participants, Beneficiaries and others as required by law.

#### 5.6 Appointment of Advisors

The Administrator may appoint/employ such agents, attorneys, actuaries, accountants, auditors, investment counsel, and clerical assistants, and other persons as the Administrator deems necessary or desirable in connection with the administration of this Plan.

#### 5.7 Information from the Employer

To enable the Administrator to perform his functions, the Employer will supply the necessary information to the Administrator on a timely basis regarding the Participants under the Plan, including but not limited to Compensation, date of hire, date of death, Severance from Employment, and such other pertinent facts and data as the Administrator may require. The Administrator may rely upon such information as is supplied by the Employer and will have no duty or responsibility to verify such information.

## 5.8 Payment of Expenses

All expenses of administration will be paid by the Employer. Such expenses will include any expenses incident to the functioning of the Administrator, including, but not limited to, fees of accountants, counsel, and other specialists and their agents, and other costs of administering the Plan.

## 5.9 Discontinuance of Provider

Notwithstanding Section 3.9, if any Provider ceases to be eligible to receive Deferrals under the Plan, the Employer may direct that both existing amounts under Participant Accounts that were invested with such Provider and any future contributions be transferred to the Investment Products of those Providers which are currently approved to receive Deferrals under the Plan.

# ARTICLE VI AMENDMENT AND TERMINATION

## 6.1 Amendment

(a) The Employer will have the right at any time to amend this Plan subject to the limitations of this Section. Any such amendment will become effective as provided therein upon its execution.

(b) No amendment to the Plan will be effective if it authorizes or permits any part of the Investment Product (other than such part as is required to pay taxes and administration expenses) to be used for or diverted to any purpose other than for the exclusive benefit of Participants or Beneficiaries; or causes any reduction in the amount credited to the account of any Participant or Beneficiary; or causes or permits any portion of the Investment Product to revert to or become property of the Employer.

## 6.2 Termination

(a) The Employer will have the right at any time to terminate the Plan by resolution of its governing board. In addition, the Employer must deliver written notice of discontinuance of the Investment Product to the Provider.

(b) Upon the full termination of the Plan, the Employer will direct the distribution of the assets to Participants and Beneficiaries in a manner which is consistent with and satisfies the provisions of Article IV as soon as administratively practicable after termination of the Plan.

## 6.3 Transfer of Entire Plan Assets to Another Eligible Plan Within the Same State

Subject to this Section, the Employer may direct the transfer of all assets of the Plan to another plan under Code Section 457(e)(1)(A) and that is located in the same state, provided that the

requirements of Code Section 457(b) and Section 1.457(b)-10 (b)(3) of the Income Tax Regulations are satisfied. If Roth 457(b) Contributions are transferred, the receiving plan must permit Designated Roth contributions as defined in Code Section 402A.

## ARTICLE VII MISCELLANEOUS

### 7.1 Assets For Exclusive Benefit Of Participants And Beneficiaries

All amounts in the Participant Accounts under this Plan, all property and rights which may be purchased with such amounts and all income attributable to such amounts, property or rights will be held in trust (or a custodial account or annuity contract described in Code Section 401(f)) for the exclusive benefit of Participants and their Beneficiaries. All such amounts will not be subject to the claims of the Employer's general creditors.

### 7.2 Participant Rights

This Plan will not be deemed to constitute a contract between the Employer and any Participant or to be a consideration or an inducement for the employment of any Participant, Employee, or Independent Contractor. Nothing contained in this Plan will be deemed to give any Participant, Employee, or Independent Contractor the right to be retained in the service of the Employer or to interfere with the right of the Employer to discharge any Participant, Employee or Independent Contractor at any time regardless of the effect which such discharge will have upon him as a Participant in this Plan.

### 7.3 Alienation

Subject to applicable state law (and Code Section 401(g) if the Investment Product consists of an annuity contract) and except as provided in Section 7.4, no benefit which will be payable to any person (including a Participant or his Beneficiary) will be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, or charge, and any attempt to anticipate, alienate, sell, transfer, assign, pledge, encumber, or charge the same will be void; and no such benefit will in any manner be liable for, or subject to, the debts, contracts, liabilities, engagements, or torts of any such person, nor will be subject to attachment or legal process for or against such person, and the same will not be recognized except to such extent as may be required by law.

#### 7.4 Recognition of Approved Domestic Relations Orders

Notwithstanding Section 7.3, if a judgment, decree or order (including approval of a property settlement agreement) that relates to the provision of child support, alimony payments, or the marital property rights of a spouse or former spouse, child, or other dependent of a Participant is made pursuant to the domestic relations law of any State (“domestic relations order”) and Code Section 414(p), then the amount of the Participant Account will be paid in the manner and to the person or persons so directed in the domestic relations order. Such payment will be made without regard to whether the Participant is eligible for a distribution of benefits under the Plan. The Administrator will establish reasonable procedures for determining the status of any such decree or order and for effectuating distribution pursuant to the domestic relations order.

#### 7.5 IRS Levy

Notwithstanding Section 7.3, if a Participant or Beneficiary is entitled to a distribution in accordance with Section 5, the Administrator may pay from a Participant's or Beneficiary's Account the amount that the Administrator finds is lawfully demanded under a levy issued by the Internal Revenue Service with respect to that Participant or Beneficiary or is sought to be collected by the United States Government under a judgment resulting from an unpaid tax assessment against the Participant or Beneficiary.

#### 7.6 Distribution for Minor Beneficiary or Incompetent

If a Participant or Beneficiary entitled to receive any benefits hereunder is a minor or is adjudged to be legally incapable of giving valid receipt and discharge for such benefits, or is deemed so by the Administrator, benefits will be paid to such person as the Administrator may designate for the benefit of such Participant or Beneficiary. Such payments shall be considered a payment to such Participant or Beneficiary and shall, to the extent made, be deemed a complete discharge of any liability for such payments under the Plan.

#### 7.7 Mistaken Contributions

If any contribution (or any portion of a contribution) is made to the Plan by a good faith mistake of fact, then within one year after the payment of the contribution, and upon receipt in good order of a proper request approved by the Administrator, the amount of the mistaken contribution (adjusted for any income or loss in value, if any, allocable thereto) will be returned directly to the Participant or, to the extent required or permitted by the Administrator, to the Employer.

#### 7.8 Procedure When Distributee Cannot Be Located

The Administrator shall make all reasonable attempts to determine the identity and address of a Participant or Beneficiary entitled to benefits under the Plan. For this purpose, a reasonable attempt means (a) the mailing by certified mail of a notice to the last known address shown on the Employer's or the Administrator's records, (b) notification sent to the Social Security Administration or the Pension Benefit Guaranty Corporation (under their program to identify payees under retirement plans), and (c) the payee has not responded within 6 months. If the

Administrator is unable to locate such a person entitled to benefits hereunder, or if there has been no claim made for such benefits, the funding vehicle shall continue to hold the benefits due such person.

#### 7.9 Governing Law

The Plan will be construed, administered and enforced according to the Code and the laws of the state in which the Employer has its principal place of business.

#### 7.10 Headings

Headings of the Plan have been inserted for convenience of reference only and are to be ignored in any construction of the provisions hereof.

#### 7.11 Gender

Pronouns used in the Plan in the masculine or feminine gender include both genders unless the context clearly indicates otherwise.



**ADDENDUM  
CITY OF AUSTIN, TEXAS**

**Solicitation: RFP 7400 SMB0305**

**Addendum No: 2**

**Date of Addendum: 5/24/2017**

This addendum is to incorporate the following changes to the above referenced solicitation:

**I. Questions:**

Q1- I have no employees, is Workers Compensation required?

A1- If a contractor is a sole proprietor with no employees, the City of Austin may waive the Workers Compensation requirement upon receipt of a signed Sole Proprietor Workers Compensation Waiver Statement.

Q2- Why is General Liability required for this type of service?

A2- General Liability coverage protects the contractor from claims of Bodily Injury of Property Damage arising from its ongoing and complete business operations, including but not limited to the business operations associated with this Scope of Work.

Q3- I do not have a business automobile. Is Personal Auto Insurance acceptable?

A3- If a contractor is a sole proprietor with no employees, the City of Austin may accept proof of Personal Automobile Insurance in conjunction with a signed Sole Proprietor Personal Auto Statement. Alternatively, the City can also accept proof of Hired and Non-Owned coverage only in conjunction with a signed Owned Auto Waiver stating that the contractor does not own any vehicles.

Q4- What is the requested frequency of an Investment Performance Review?


A4- The Investment Performance Review is currently done annually.

Q5- Can you please expand on the plan's annual outside audit?

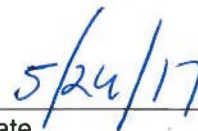
A5- The outside annual audit checks the overall financial process of operating the Plan. Items include using participant account samples to check transactions, fund transfers, and operating expenses to ensure all monies are accounted for.

**II. ALL OTHER TERMS AND CONDITIONS REMAIN THE SAME.**

APPROVED BY:

  
Liz Lock, Procurement Specialist II  
Purchasing Office, 512-974-2034

Date



ACKNOWLEDGED BY:

\_\_\_\_\_  
Name

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Date

**RETURN ONE COPY OF THIS ADDENDUM TO THE PURCHASING OFFICE, CITY OF AUSTIN, WITH YOUR RESPONSE OR PRIOR TO THE SOLICITATION CLOSING DATE. FAILURE TO DO SO MAY CONSTITUTE GROUNDS FOR REJECTION.**

Revised 12/13/2015



108 NW 9<sup>th</sup> Ave #203  
Portland, Ore. 97209  
(971) 634-1500

[hyasgroup.com](http://hyasgroup.com)

## **CITY OF AUSTIN, TEXAS**

**Request for Proposal #7400 SMB0305**

**Deferred Compensation Consultant**

Hyas Group Response – May 30, 2017

**Prepared by:**

Rasch Cousineau

Senior Consultant

[rcousineau@hyasgroup.com](mailto:rcousineau@hyasgroup.com)



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<b>SECTION 5</b>	Cost Proposal
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<b>SECTION 8</b>	<i>The 457 Fiduciary Advisor</i> Newsletter
<b>SECTION 9</b>	Sample Fiduciary Training Presentation
<b>SECTION 10</b>	SEC Form ADV Part 2, Part 2 Supplement, Privacy Policy

# Section 1

**The undersigned, by his/her signature, represents that he/she is submitting a binding offer and is authorized to bind the respondent to fully comply with the solicitation document contained herein. The Respondent, by submitting and signing below, acknowledges that he/she has received and read the entire document packet sections defined above including all documents incorporated by reference, and agrees to be bound by the terms therein.**

Company Name: Hyas Group LLC

Company Address: 108 NW 9th Avenue, Suite #203

City, State, Zip: Portland, Oregon 97209

Federal Tax ID No. \_\_\_\_\_

Printed Name of Officer or Authorized Representative: Dale Parker

Title: Chief Operating Officer

Signature of Officer or Authorized Representative: 

Date: 5/24/2017

Email Address: dparker@hyasgroup.com

Phone Number: 971-634-1500

**\* Proposal response must be submitted with this Offer sheet to be considered for award**



**ADDENDUM  
CITY OF AUSTIN, TEXAS**

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**Solicitation: RFP 7400 SMB0305**

**Addendum No: 1**

**Date of Addendum: 5/15/2017**

---

This addendum is to incorporate the following changes to the above referenced solicitation:

**I. Questions:**

Q1- Who was the last consultant, and are they eligible to submit a proposal in response to this solicitation?

A1- The previous consultant was The Retirement Store. This is an open solicitation and anyone can submit a proposal.

Q2- If our Texas office is located in Austin but our headquarters is not, can we get partial credit for local business presence?

A2- See Section 0600, 5B under Local Business Presence.

Q3- Does the Deferred Compensation Committee have set meetings for the remainder of the year?

A3- The Committee meets every two months, and they schedule meetings about two months out.

Q4- Does the consultant have to be at the Committee meetings in person or can they call in?

A4- For project presentations, the consultant should attend the meeting in person. For regular Committee meetings or brief status check-ins, the consultant can call in.

Q5- Can you release the City of Austin 457 Plan document?

A5- Yes, see attached.

Q6- Can you release the City of Austin 457 Fund Lineup?

A6- Yes, see attached.

Q7- Does the City currently have a contract for a deferred compensation consultant and if so, with whom?

A7- The City does not currently have a contract for a deferred compensation consultant.

Q8- When does the record keeper contract expire?

A8- The record keeper contract expires June 11, 2020.

Q9- Will the City consider firms not located in the Austin area.


A9- Yes.

Q10- When do you expect to award a contract?

A10- The City anticipates awarding a contract this summer.

- II. **Additional Information:** The attendance log from the Pre-Proposal Conference held on May 12, 2017 is attached.
- III. **Extension:** The proposal due date is hereby extended until Thursday, June 1 at 2:00 PM CST. The proposal opening is hereby extended until Thursday, June 1 at 3:00 PM CST. The Offer Sheet has been replaced to reflect the new due date.
- IV. ALL OTHER TERMS AND CONDITIONS REMAIN THE SAME.

APPROVED BY:

  
Liz Lock, Procurement Specialist II  
Purchasing Office, 512-974-2034

  
Date

ACKNOWLEDGED BY:

Dale Parker

Name



Authorized Signature

5/17/2017

Date

**RETURN ONE COPY OF THIS ADDENDUM TO THE PURCHASING OFFICE, CITY OF AUSTIN, WITH YOUR RESPONSE OR PRIOR TO THE SOLICITATION CLOSING DATE. FAILURE TO DO SO MAY CONSTITUTE GROUNDS FOR REJECTION.**



**ADDENDUM  
CITY OF AUSTIN, TEXAS**

**Solicitation: RFP 7400 SMB0305**

**Addendum No: 2**

**Date of Addendum: 5/24/2017**

This addendum is to incorporate the following changes to the above referenced solicitation:

**I. Questions:**

Q1- I have no employees, is Workers Compensation required?

A1- If a contractor is a sole proprietor with no employees, the City of Austin may waive the Workers Compensation requirement upon receipt of a signed Sole Proprietor Workers Compensation Waiver Statement.

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A2- General Liability coverage protects the contractor from claims of Bodily Injury of Property Damage arising from its ongoing and complete business operations, including but not limited to the business operations associated with this Scope of Work.

Q3- I do not have a business automobile. Is Personal Auto Insurance acceptable?

A3- If a contractor is a sole proprietor with no employees, the City of Austin may accept proof of Personal Automobile Insurance in conjunction with a signed Sole Proprietor Personal Auto Statement. Alternatively, the City can also accept proof of Hired and Non-Owned coverage only in conjunction with a signed Owned Auto Waiver stating that the contractor does not own any vehicles.

Q4- What is the requested frequency of an Investment Performance Review?


A4- The Investment Performance Review is currently done annually.

Q5- Can you please expand on the plan's annual outside audit?

A5- The outside annual audit checks the overall financial process of operating the Plan. Items include using participant account samples to check transactions, fund transfers, and operating expenses to ensure all monies are accounted for.

**II. ALL OTHER TERMS AND CONDITIONS REMAIN THE SAME.**

APPROVED BY:

  
Liz Lock, Procurement Specialist II  
Purchasing Office, 512-974-2034

  
Date

ACKNOWLEDGED BY:

Dale Parker  
Name

  
Authorized Signature

5/24/2017  
Date

**RETURN ONE COPY OF THIS ADDENDUM TO THE PURCHASING OFFICE, CITY OF AUSTIN, WITH YOUR RESPONSE OR PRIOR TO THE SOLICITATION CLOSING DATE. FAILURE TO DO SO MAY CONSTITUTE GROUNDS FOR REJECTION.**

**Section 0605: Local Business Presence Identification**

A firm (Offeror or Subcontractor) is considered to have a Local Business Presence if the firm is headquartered in the Austin Corporate City Limits, or has a branch office located in the Austin Corporate City Limits in operation for the last five (5) years, currently employs residents of the City of Austin, Texas, and will use employees that reside in the City of Austin, Texas, to support this Contract. The City defines headquarters as the administrative center where most of the important functions and full responsibility for managing and coordinating the business activities of the firm are located. The City defines branch office as a smaller, remotely located office that is separate from a firm's headquarters that offers the services requested and required under this solicitation.

**OFFEROR MUST SUBMIT THE FOLLOWING INFORMATION FOR EACH LOCAL BUSINESS (INCLUDING THE OFFEROR, IF APPLICABLE) TO BE CONSIDERED FOR LOCAL PRESENCE.**

*NOTE: ALL FIRMS MUST BE IDENTIFIED ON THE MBE/WBE COMPLIANCE PLAN OR NO GOALS UTILIZATION PLAN (REFERENCE SECTION 0900).*

**\*USE ADDITIONAL PAGES AS NECESSARY\***

**OFFEROR:**

Name of Local Firm	Hyas Group LLC	
Physical Address	108 NW 9th Avenue, Portland, Oregon 97209	
Is your headquarters located in the Corporate City Limits? (circle one)	Yes	<input checked="" type="checkbox"/> No
or		
Has your branch office been located in the Corporate City Limits for the last 5 years?	Yes	<input checked="" type="checkbox"/> No
Will your business be providing additional economic development opportunities created by the contract award? (e.g., hiring, or employing residents of the City of Austin or increasing tax revenue?)	Yes	<input checked="" type="checkbox"/> No

**SUBCONTRACTOR(S):**

Name of Local Firm	Hyas Group does not employ the use of subcontractors	
Physical Address		
Is your headquarters located in the Corporate City Limits? (circle one)	Yes	No
or		
Has your branch office been located in the Corporate City Limits for the last 5 years	Yes	No

Will your business be providing additional economic development opportunities created by the contract award? (e.g., hiring, or employing residents of the City of Austin or increasing tax revenue?)	Yes	No

**SUBCONTRACTOR(S):**

Name of Local Firm		
Physical Address		
Is your headquarters located in the Corporate City Limits? (circle one)	Yes	No
or		
Has your branch office been located in the Corporate City Limits for the last 5 years	Yes	No
Will your business be providing additional economic development opportunities created by the contract award? (e.g., hiring, or employing residents of the City of Austin or increasing tax revenue?)	Yes	No



**City of Austin, Texas**  
**Section 0800**  
**NON-DISCRIMINATION AND NON-RETALIATION CERTIFICATION**

**City of Austin, Texas**

**Equal Employment/Fair Housing Office**

To: City of Austin, Texas,

I hereby certify that our firm complies with the Code of the City of Austin, Section 5-4-2 as reiterated below, and agrees:

- (1) Not to engage in any discriminatory employment practice defined in this chapter.
- (2) To take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without discrimination being practiced against them as defined in this chapter, including affirmative action relative to employment, promotion, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rate of pay or other forms of compensation, and selection for training or any other terms, conditions or privileges of employment.
- (3) To post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Equal Employment/Fair Housing Office setting forth the provisions of this chapter.
- (4) To state in all solicitations or advertisements for employees placed by or on behalf of the Contractor, that all qualified applicants will receive consideration for employment without regard to race, creed, color, religion, national origin, sexual orientation, gender identity, disability, sex or age.
- (5) To obtain a written statement from any labor union or labor organization furnishing labor or service to Contractors in which said union or organization has agreed not to engage in any discriminatory employment practices as defined in this chapter and to take affirmative action to implement policies and provisions of this chapter.
- (6) To cooperate fully with City and the Equal Employment/Fair Housing Office in connection with any investigation or conciliation effort of the Equal Employment/Fair Housing Office to ensure that the purpose of the provisions against discriminatory employment practices are being carried out.
- (7) To require of all subcontractors having 15 or more employees who hold any subcontract providing for the expenditure of \$2,000 or more in connection with any contract with the City subject to the terms of this chapter that they do not engage in any discriminatory employment practice as defined in this chapter

For the purposes of this Offer and any resulting Contract, Contractor adopts the provisions of the City's Minimum Standard Non-Discrimination and Non-Retaliation Policy set forth below.

**City of Austin**  
**Minimum Standard Non-Discrimination and Non-Retaliation in Employment Policy**

As an Equal Employment Opportunity (EEO) employer, the Contractor will conduct its personnel activities in accordance with established federal, state and local EEO laws and regulations.

The Contractor will not discriminate against any applicant or employee based on race, creed, color, national origin, sex, age, religion, veteran status, gender identity, disability, or sexual orientation. This policy covers all aspects of employment, including hiring, placement, upgrading, transfer, demotion, recruitment, recruitment advertising, selection for training and apprenticeship, rates of pay or other forms of compensation, and layoff or termination.

The Contractor agrees to prohibit retaliation, discharge or otherwise discrimination against any employee or applicant for employment who has inquired about, discussed or disclosed their compensation.

Further, employees who experience discrimination, sexual harassment, or another form of harassment should immediately report it to their supervisor. If this is not a suitable avenue for addressing their complaint, employees are advised to contact another member of management or their human resources representative. No employee shall be discriminated against, harassed, intimidated, nor suffer any reprisal as a result of reporting a violation of this policy. Furthermore, any employee, supervisor, or manager who becomes aware of any such discrimination or harassment should immediately report it to executive management or the human resources office to ensure that such conduct does

not continue.

Contractor agrees that to the extent of any inconsistency, omission, or conflict with its current non-discrimination and non-retaliation employment policy, the Contractor has expressly adopted the provisions of the City's Minimum Non-Discrimination Policy contained in Section 5-4-2 of the City Code and set forth above, as the Contractor's Non-Discrimination Policy or as an amendment to such Policy and such provisions are intended to not only supplement the Contractor's policy, but will also supersede the Contractor's policy to the extent of any conflict.

UPON CONTRACT AWARD, THE CONTRACTOR SHALL PROVIDE THE CITY A COPY OF THE CONTRACTOR'S NON-DISCRIMINATION AND NON-RETALIATION POLICIES ON COMPANY LETTERHEAD, WHICH CONFORMS IN FORM, SCOPE, AND CONTENT TO THE CITY'S MINIMUM NON-DISCRIMINATION AND NON-RETALIATION POLICIES, AS SET FORTH HEREIN, **OR** THIS NON-DISCRIMINATION AND NON-RETALIATION POLICY, WHICH HAS BEEN ADOPTED BY THE CONTRACTOR FOR ALL PURPOSES WILL BE CONSIDERED THE CONTRACTOR'S NON-DISCRIMINATION AND NON-RETALIATION POLICY WITHOUT THE REQUIREMENT OF A SEPARATE SUBMITTAL.


**Sanctions:**

Our firm understands that non-compliance with Chapter 5-4 and the City's Non-Retaliation Policy may result in sanctions, including termination of the contract and suspension or debarment from participation in future City contracts until deemed compliant with the requirements of Chapter 5-4 and the Non-Retaliation Policy.

**Term:**

The Contractor agrees that this Section 0800 Non-Discrimination and Non-Retaliation Certificate of the Contractor's separate conforming policy, which the Contractor has executed and filed with the City, will remain in force and effect for one year from the date of filing. The Contractor further agrees that, in consideration of the receipt of continued Contract payment, the Contractor's Non-Discrimination and Non-Retaliation Policy will automatically renew from year-to-year for the term of the underlying Contract.

Dated this 24th day of May, 2017

CONTRACTOR	Hyas Group, LLC
Authorized Signature	
Title	Dale Parker, COO

**Section 0835: Non-Resident Bidder Provisions**

Company Name Hyas Group LLC

- A. Bidder must answer the following questions in accordance with Vernon's Texas Statutes and Codes Annotated Government Code 2252.002, as amended:

Is the Bidder that is making and submitting this Bid a "Resident Bidder" or a "non-resident Bidder"?

Answer: Non-resident Bidder

- (1) Texas Resident Bidder- A Bidder whose principle place of business is in Texas and includes a Contractor whose ultimate parent company or majority owner has its principal place of business in Texas.  
(2) Nonresident Bidder- A Bidder who is not a Texas Resident Bidder.

- B. If the Bidder is a "Nonresident Bidder" does the state, in which the Nonresident Bidder's principal place of business is located, have a law requiring a Nonresident Bidder of that state to bid a certain amount or percentage under the Bid of a Resident Bidder of that state in order for the nonresident Bidder of that state to be awarded a Contract on such bid in said state?

Answer: No Which State: \_\_\_\_\_

- C. If the answer to Question B is "yes", then what amount or percentage must a Texas Resident Bidder bid under the bid price of a Resident Bidder of that state in order to be awarded a Contract on such bid in said state?

Answer: \_\_\_\_\_

**Section 0900: SUBCONTRACTING/SUB-CONSULTING UTILIZATION FORM**

**MINORITY- AND WOMEN-OWNED BUSINESS ENTERPRISE (MBE/WBE)  
PROCUREMENT PROGRAM**

**Subcontracting/Sub-Consulting ("Subcontractor") Utilization Form**

SOLICITATION NUMBER: **7400 SMB0305**  
SOLICITATION TITLE: **Deferred Compensation Plan Consultant**

In accordance with the City of Austin's Minority and Women-Owned Business Enterprises (M/WBE) Procurement Program (Program), Chapters 2-9A/B/C/D of the City Code and M/WBE Program Rules, this Solicitation was reviewed by the Small and Minority Business Resources Department (SMBR) to determine if M/WBE Subcontractor/Sub-Consultant ("Subcontractor") Goals could be applied. Due to insufficient subcontracting/subconsultant opportunities and/or insufficient availability of M/WBE certified firms, SMBR has assigned no subcontracting goals for this Solicitation. However, Offerors who choose to use Subcontractors must comply with the City's M/WBE Procurement Program as described below. Additionally, if the Contractor seeks to add Subcontractors after the Contract is awarded, the Program requirements shall apply to any Contract(s) resulting from this Solicitation.

**Instructions:**

- a.) Offerors who do not intend to use Subcontractors shall check the "NO" box and follow the corresponding instructions.  
b.) Offerors who intend to use Subcontractors shall check the applicable "YES" box and follow the instructions. **Offers that do not include the following required documents shall be deemed non-compliant or nonresponsive as applicable, and the Offeror's submission may not be considered for award.**

☒ **NO, I DO NOT intend to use Subcontractors/Sub-consultants.**

**Instructions:** Offerors that do not intend to use Subcontractors shall complete and sign this form below (Subcontracting/Sub-Consulting ("Subcontractor") Utilization Form) and include it with their sealed Offer.

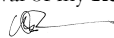
☐ **YES, I DO intend to use Subcontractors /Sub-consultants.**

**Instructions:** Offerors that do intend to use Subcontractors shall complete and sign this form below (Subcontracting/Sub-Consulting ("Subcontractor") Utilization Form), and follow the additional Instructions in the (Subcontracting/Sub-Consulting ("Subcontractor") Utilization Plan). Contact SMBR if there are any questions about submitting these forms.

Offeror Information			
Company Name	Hyas Group LLC		
City Vendor ID Code	<div style="background-color: black; width: 100px; height: 1.2em;"></div>	Tax ID #	
Physical Address	108 NW 9th Avenue, Suite #203		
City, State Zip	Portland, Oregon 97209		
Phone Number	971-634-1500	Email Address	dparker@hyasgroup.com
If the Offeror City of Austin M/WBE certified?	<div><input checked="" type="checkbox"/> NO</div> <div><input type="checkbox"/> YES      Indicate one: <input type="checkbox"/> MBE   <input type="checkbox"/> WBE   <input type="checkbox"/> MBE/WBE Joint Venture</div>		

**Offeror Certification:** I understand that even though SMBR did not assign subcontract goals to this Solicitation, I will comply with the City's M/WBE Procurement Program if I intend to include Subcontractors in my Offer. I further agree that this completed **Subcontracting/Sub-Consulting Utilization Form**, and if applicable my completed **Subcontracting/Sub-Consulting Utilization Plan**, shall become a part of any Contract I may be awarded as the result of this Solicitation. Further, if I am awarded a Contract and I am not using Subcontractor(s) but later intend to add Subcontractor(s), before the Subcontractor(s) is hired or begins work, I will comply with the City's M/WBE Procurement Program and submit the **Request For Change** form to add any Subcontractor(s) to the Project Manager or the Contract Manager for prior authorization by the City and perform Good Faith Efforts (GFE), if applicable. I understand that, if a Subcontractor is not listed in my **Subcontracting/Sub-Consulting Utilization Plan**, it is a violation of the City's M/WBE Procurement Program for me to hire the Subcontractor or allow the Subcontractor to begin work, unless I first obtain City approval of my **Request for Change** form. I understand that, if a Subcontractor is not listed in my **Subcontracting/Sub-Consulting Utilization Plan**, it is a violation of the City's M/WBE Procurement Program for me to hire the Subcontractor or allow the Subcontractor to begin work, unless I first obtain City approval of my **Request for Change** form.

Dale Parker, COO



5/24/17

Name and Title of Authorized Representative (Print or Type)

Signature/Date

# Section 2



## **CITY OF AUSTIN**

**Request for Proposal – No. 7400 SMB0305**

**Deferred Compensation Consultant**

**Hyas Group Response – May 30, 2017**

### **AUTHORIZED NEGOTIATOR**

The Officer within the Hyas Group who is authorized to negotiate Contract terms and render binding decisions on Contract matters is:

**Dale Parker**

**Managing Partner, Chief Operating Officer**

Hyas Group

108 NW 9<sup>th</sup> Avenue, Suite 203

Portland, Oregon 97209

971-634-1500

[dparker@hyasgroup.com](mailto:dparker@hyasgroup.com)

# Section 3





May 24, 2017

**RE: RFP for Deferred Compensation Consultant—Solicitation No. RFP 7400  
SMB0305**

The Hyas Group agrees to act as a fiduciary to the Deferred Compensation Plan and members. As a Registered Investment Advisor, we are regulated by the SEC and will acknowledge our fiduciary status, in writing, under the terms of the service agreement. We serve as a fiduciary in all of our client relationships and we take this role very seriously.

Signed,

Rasch Cousineau  
Senior Consultant

Dale Parker, COO  
As a legal representative of the Hyas Group, I am authorized to sign any contract that may result and to bind the firm in all contractual matters.

# Section 4



## CITY OF AUSTIN

Request for Proposal – No. 7400 SMB0305

Deferred Compensation Consultant

Hyas Group Response – May 30, 2017

## EXPERIENCE & QUALIFICATIONS

### A. COMPANY INFORMATION

- i. Full name and address of your company; identify parent company if you are a subsidiary. Indicate whether you operate as a partnership, corporation, or individual. Include the State(s) in which incorporated or licensed to operate and how long your company has been in business

#### **Firm Contact Information**

Hyas Group, LLC

108 NW 9<sup>th</sup> Avenue, Suite #203

Portland, Oregon 97209

The Hyas Group is an independent institutional retirement plan consulting firm based in Portland, Oregon that provides services to defined contribution retirement plan clients with a focus on governmental 457(b) plans offered by cities, counties, and special districts. Our sole office is located in Portland and there are no Hyas Group parent, subsidiary, or affiliate firms. The Hyas Group was formed in 2008 and is structured as an Oregon limited liability corporation (LLC). The Firm is privately- and wholly-owned by three senior consulting partners and is registered with the Securities Exchange Commission (SEC) as an independent investment advisory firm.

- ii. Number of years the Offeror has provided services related to the Scope of Work.

The Hyas Group was formed in 2008 and has been providing similar consulting services consulting services to 97 clients. The Firm has a specific focus on the public sector and benefits from having professionals who have served the governmental Section 457, 401(a), and 401(k) plan industry collectively for over 150 years.

The Hyas Group has a demonstrated expertise in providing services to governmental clients and will be able to work well as the investment consultant for the City's Plan. With our team's professional backgrounds in record keeping, consulting, and investing, we bring a uniquely qualified skillset to understanding and implementing the requirements of operating in a public sector environment and this allows us to provide advice to the Committee in an appropriate and judicious manner. Ultimately, our broad governmental client expertise, combined with our experience in working with a wide range of client sizes, many would match very well with the requested scope of services.

## AS NEEDED CONSULTING SERVICES

The City's stated goals and objectives and our approach to meeting them are as follows:

### PROGRAM DESIGN

We will provide ongoing advice and analysis of investment options offered by plan providers, ensuring options offered provide an appropriate mix of investment types that spread investment risk over multiple investment options. We will monitor the investment options offered by plan providers, ensuring options offered are performing favorably compared to peers and appropriate indexes (for funds not performing up to expectations based on peers or indexes, we will provide guidance and recommendations for replacement options).

We will also evaluate and benchmark the overall retirement program with a thorough review of your existing service provider. In addition to reviewing the current investment options offered, we will analyze the fees charged and assist you in managing your relationship with your provider.

We believe there is no consulting firm in our region—or even nationwide—that has more experience in performing plan reviews, benchmarking reports, and vendor searches. We provide the experience and ability to assess any structural/design elements at an industry level. We offer the opportunity to compare plan structure options to peer companies and the industry broadly. We work with major recordkeeping firms and industry forums to accumulate relevant data and distil it in such a fashion to make it relevant to the particular client. While we are hired for our expertise, we do not lose sight of the fact that recommendations need to be supported by well-researched premises and presented with proper evidential data.

### IMPLEMENTATION

We will review the Investment Policy Statement and other Plan governance documents and make recommendations as needed to ensure the execution of proper due diligence. We regularly review plan documents, summary plan descriptions, as well as changes to the Code and statutes affecting participant savings plans. For all of our clients, we have:

- Developed and maintained ongoing fiduciary oversight processes;
- Provided Investment Policy Statement and Committee Charter review, restructuring, and maintenance;
- Performed compliance assessments; and
- Assisted in developing and implementing Plan governance and oversight models.

### PERFORMANCE REPORTING ASSISTANCE & MONITORING

The Hyas Group has deep experience in preparing and presenting all of the City's identified deliverables. The members of our analytical team will work together to prepare all of the City's analysis and reports. Performance reports will contain a comprehensive evaluation of the plan's investment options relative to investment policy. Color graphics will illustrate manager diversification,

historical asset allocation and performance versus the relevant indices over differing lengths of time. A statistical section will provide an analysis of manager characteristics including sector/quality exposure and market weights. Interpretive text will show how these characteristics impact risk and return and what that means to the investment program. Our reports are designed to clearly reflect manager and plan performance relative to the client's specific investment policy. Summary policy violation graphics as well as our relative performance calculations make it easier for the Committee to determine whether or not there are any issues with the available managers and if action should be taken. We will be responsible for providing the Committee with timely communication regarding investment opportunities and industry trends affecting retirement plans. We will meet with the Committee to review the report information and analysis and will make recommendations as to appropriate actions relative to the plan's overall goals and objectives. We will remain proactive in communicating issues and regulatory trends and following your quarterly meetings, we will send an action item letter summarizing key discussion items and decisions.

We meet with most clients at least four times a year to present their quarterly plan performance report in person. However, it is not uncommon for us to attend other interim meetings as requested, at no additional cost. Your consultants are accessible and available to provide independent, expert advice throughout the quarter and our service model and deliverables are backed by our performance guarantees. We will remain proactive in communicating issues and regulatory trends and following your quarterly meetings, we will send an action item letter summarizing key discussion items and decisions.

The Hyas Group also provides unique ongoing fee and cost analysis as well as quarterly revenue reconciliation for our defined contribution retirement plan clients. Clients receive a full accounting of all the costs associated with the plans and an evaluation of how those costs compare to industry averages. Our revenue reconciliation report is provided to evaluate the amounts of revenue collected by all service providers to the plan.

Please see Section 7 for a sample performance report.

#### **ADMINISTRATIVE GUIDANCE AND FIDUCIARY TRAINING**

The Hyas Group will serve as a co-fiduciary and provide the Committee with expert advice and analysis on investments, participant services, the regulatory/legislative environment and relevant legal proceedings. We will do this through presentations and updates at Committee meetings, the quarterly delivery of our newsletter for governmental Plan Sponsors, *The 457 Plan Fiduciary Advisor*, (please see Section 8 for an example), and with phone calls as appropriate.

The Hyas Group believes that providing high-quality, easily understandable training and education of fiduciary committees is critical to the success of both the committee and our firm. We have developed — and are continually refining — a curriculum of three core seminars that we provide to

the committees that we serve, as well as many special focus seminars that have been developed to meet the changing needs of the industry. The core seminars include:

- *Fiduciary Fundamentals for Governmental Defined Contribution Plan Committees*
- *Modern Defined Contribution Plan Industry Trends in Administration, Services, and Features*
- *Investment Fundamentals for DC Retirement Plan Fiduciaries*

We will provide ongoing fiduciary training for the Committee members and assist with the maintenance of the City's Investment Policy Statement and other policy documents. Please see Section 9 for a sample fiduciary training presentation.

## **ASSISTANCE WITH OUTSIDE AUDIT**

We believe that it is the consultant's role to be an advocate for both participants and the plan sponsor. If the Plan requires assistance with an outside audit, we would expect the City to consider the Hyas Group a partner in carrying out the duties of administering the retirement plans, including audits. For example, we assisted a client who underwent a DOL audit and our repository of plan documents—including the IPS and 408 (b)(2) disclosures and checklists— has been invaluable in compiling the DOL's requested documents. We have participated in all of the audit preparation sessions and have helped Staff become well versed for any audit-related interviews.

## **SCOPE OF WORK DEVELOPMENT: RFP FACILITATION**

We offer the following services as part of our vendor search project:

### **RFP Project Training, Preparation, and Development**

- Prepare Committee for RFP Process: Update and train Committee on the latest developments in defined contribution Plan recordkeeping, education, counseling, investments, technology, services, and fees; benchmark current Provider's package.
- Develop RFP goals and content through discussion during and following the above training session; draft RFP document based upon this process and finalize with Committee.

### **RFP Process Management and Analysis**

- Distribute RFP to industry; answer questions from proposers; collect RFP responses and document all activity.
- Review and evaluate RFP responses; seek clarifications and answers to questions as needed; develop proposal comparison document and analysis; prepare Strengths and Weaknesses analysis and consultant scoring of responses.
- Present analysis and consultant scoring to the Committee; answer Committee questions and assist with Committee scoring of the RFP responses; select finalists if needed.

### **Finalist Interview Process**

- Notify finalists and schedule finalist interviews; prepare interview format and questions; facilitate finalist interview process.

- Notify successful vendor of award; begin and lead contract negotiation process
- Notify unsuccessful proposers of outcome

**Transition Process: If the Present Provider is not Retained**

- Coordinate and attend introductory meeting with new TPA firm
- Complete contract negotiation and adoption paperwork as needed
- Review and assist with development of implementation plan
- Review and assist with development of communication plan
- Monitor and review asset and record transition
- Lead debrief discussion with Committee following transition

The following chart describes the cycle of service we propose to provide to the City:

Consulting Service	Frequency	Description	Deliverable
Serve as fiduciary to the City's Plan	Ongoing	We will embrace our fiduciary obligation to the Plan.	Documentation and service as warranted
Investment Policy Statement development	As needed	We will review and propose changes, as necessary.	Written Investment Policy Statement Document
Investment Policy Statement maintenance	As needed	We will maintain at least annual updates.	Scheduled annual IPS review with redlined document
Asset Allocation	Once every three years	We will perform an initial asset allocation study, manager review, and recommendations for any proposed changes.	Report document and meeting attendance
Introduce new investment strategies and/or new/alternative asset classes	As needed	We will bring new ideas and insights to you as they arise	Report document and meeting attendance
Manager selection and recommendations	As needed	We typically include all manager searches in the annual retainer to avoid the potential conflict of recommending a search and increasing our compensation as a result of that recommendation.	Manager Search Document and to compare multiple products and meeting attendance
Oversight of manager change	As needed	We will assist in manager transitions, including assistance with the retention of a transition manager if needed.	Documentation and service as warranted

Consulting Service	Frequency	Description	Deliverable
Fiduciary education	As needed	Basic training, advanced training and topical training are included.	Fiduciary Education Presentation
Economic, capital markets, and investment trend reporting	Quarterly	Included in quarterly performance report	Production of Quarterly Performance Report and meeting attendance
Reporting and attendance at Committee meetings	Quarterly or as directed	We will attend quarterly meetings onsite or at such other intervals as approved by the City.	Production of Quarterly Performance Report and meeting attendance
Presentation to City Board/Council	Annual or as directed	We will attend Board/Council meetings and provide update to Board/Council regarding Plan performance and policy.	Production of Quarterly Performance Report and meeting attendance
Assistance with minutes and other committee documentation	Ongoing	We will help draft meeting agendas, minutes and other documentation of actions.	Written action item letter provided after each meeting.
Preparation and review of Plan Fee Guidelines	As needed	We will draft and adjust as need a policy that describes the current Plan cost structure	Written Fee Guidelines document
Preparation and review of annual Plan budget	Annually	We will prepare and present the Plan's budget detailing all revenue and costs associated with the Plan	Written Plan Budget document
Assistance with outside audit	As needed	We will fully support the City should an outside audit occur	Plan compliance checklist to facilitate the audit process
Third Party Administrative Recordkeeper RFP	As needed	We will educate Committee and Staff throughout the project, manage the RFP process, analyze responses, conduct finalist interview, and negotiate the final contract	Presentation of RFP Analysis Report and recommendation to Committee



Consulting Service	Frequency	Description	Deliverable
Account and manager performance reporting	Quarterly	Present market overview including economics, fixed income, and domestic and international equity markets; Provide comprehensive account review including asset allocation actual to target, cash-flows, performance reporting at the account, segment and manager levels versus appropriate benchmarks and peers, risk metrics, account fees; Assess IPS adherence via dashboard	Production of Quarterly Performance report and meeting attendance
Watch-listed managers monitoring and reporting	Quarterly	Provide on-going due-diligence of investment products as well as monitoring against stated objectives and investment policy.	Documentation of on watch managers and meeting attendance to discuss
Investment fee analysis	Quarterly	Reconciliation of Plan fees and charges. Monitor charges for accuracy. Provide comparative fee data to other plans and industry. Monitor admin fee relative to budgetary objectives.	Quarterly Performance Report and meeting attendance

- iii. Description of Offeror's past experience performing services related to the Scope of Work. Related experience might include 457 plans, 401(k), 451, governmental, or Texas specific experience.

At a minimum, include:

- a. Client/agency name
- b. Contact name (agency project manager), telephone, and email
- c. Project name
- d. Year project took place and length of project
- e. Project budget
- f. Project description
- g. Personnel assigned to project and their role in the project

The Hyas Group offers a wealth of consulting experience to all major defined contribution retirement plan structures and currently advises more than \$19.6 billion in client assets. Governmental, corporate, and non-profit plan sponsors have all sought the analytical skills and fiduciary support

services offered by the firm. Our senior consultants have worked on plans of all sizes, many similar to the City of Austin's plan, with each plan market requiring its own, unique level of expertise. Assisting with plan governance, reviewing and updating plan documents, educating Committee members and staff, conducting quarterly plan reviews (both fees and investments), completing investment searches and providing Request for Proposal (RFP) services for outside vendors are all primary focuses of the Firm.

The following is a list of Hyas Group clients along with the contract start date. Many client relationships span over a decade.

Public Sector Clients*	Contract Type	Term
Alaska Railroad Corp., AK	Retainer	2011-present
Benton County PUD, WA	Retainer	2012-present
Bonneville Power Administration	Project	2015
Central Lincoln PUD, OR	Retainer	2015-present
City of Arlington, TX	Retainer	2015-present
City and Borough of Juneau	Retainer	2013-present
City of Buena Park, CA	Project	2008
City of Burbank, CA	Retainer	2013-present
City of Carrollton, TX	Project	2015
City of Corvallis, OR	Retainer	2011-present
City of Elk Grove, CA	Project	2015
City of Eugene, OR	Retainer	2009-present
City of Galt, CA	Project	2014
City of Glendale, AZ	Retainer	2016-present
City of Long Beach, CA	Retainer	2009-present
City of Milwaukie, OR	Retainer	2016-present
City of Pasadena, CA	Retainer	2010-present
City of Peoria, AZ	Retainer	2017-present
City of Phoenix, AZ	Retainer	2013-present
City of Pittsburg, CA	Project	2008, 2013
City of Portland, OR	Retainer	2009-present
City of Renton, WA	Retainer	2012-present
City of Richland, WA	Retainer	2010-present
City of Richland Fire, WA	Retainer	2012-present
City of Santa Monica, CA	Project	2011
City of Shoreline, WA	Retainer	2010-present
City of Spokane, WA	Retainer	2008-present
City of Tacoma, WA	Retainer	2009-present
City of Tempe, AZ	Retainer	2017-present
City of Tucson, AZ	Project	2011
City of Whittier, CA	Retainer	2016-present
City of Wichita, KS	Retainer	2009-present
Clackamas Fire District #1, OR	Retainer	2014-present
Clark County, WA	Retainer	2013-present
Clark County PUD, WA	Retainer	2015-present
Clean Water Services, OR	Retainer	2009-present
East Bay Municipal Utility Dist., CA	Retainer	2012-present
Eastern Municipal Water Dist., CA	Retainer	2012-present
Everett School District, WA	Retainer	2009-present
Erie County, NY	Retainer	2015-present

Public Sector Client*	Contract Type	Term
Franklin County PUD, WA	Retainer	2012-present
Grays Harbor PUD, WA	Retainer	2012-present
HRA VEBA Trust, WA	Retainer	2012-present
Irvine Ranch Water District, CA	Project	2008, 2014
King County, WA	Retainer	2009-present
Klamath County, OR	Project	2017
Lane Council of Governments, OR	Retainer	2008-present
Lane County, OR	Retainer	2011-present
Marin County, CA	Retainer	2016-present
Mason Public Utility District, WA	Retainer	2011-present
McMinnville Power and Light, OR	Project	2013
Metro Portland, OR	Retainer	2012-present
Metropolitan Water District, CA	Retainer	2011-present
Napa County, CA	Retainer	2015-present
Napa Sanitation District, CA	Project	2017
Orange County Fire Authority, CA	Project	2008
Pierce County, WA	Retainer	2016-present
Port of Portland, OR	Retainer	2016-present
Port of Seattle, WA	Retainer	2012-present
Port of Tacoma, WA	Retainer	2011-present
Port of Vancouver, WA	Project	2017
Richmond Retirement System, VA	Retainer	2013-present
San Diego Water District, CA	Retainer	2011-present
San Joaquin County, CA	Project	2015
Santa Clara Valley Trans., CA	Project	2015
Santa Cruz County, CA	Retainer	2010-present
Sedgwick County, KS	Project	2015
Solano County, CA	Retainer	2016-present
Sonoma County, CA	Project	2008
Snohomish County PUD #1, WA	Retainer	2016-present
Sound Transit, WA	Retainer	2014-present
Spokane Employees' Ret. Sys., WA	Retainer	2008-present
Spokane Fire Pension, WA	Retainer	2009-present
Stanislaus County, CA	Retainer	2014-present
Tri-Met, OR	Retainer	2010-present
VEBA Trust, WA	Retainer	2012-present
VIA Metropolitan Transit District, TX	Retainer	2017-present
Washington County, OR	Retainer	2015-present
Yuba City, CA	Project	2016

Private Sector Clients*	Contract Type	Term
Adobe Systems, Inc.	Retainer	2016-present
Cadence Design Systems, Inc.	Retainer	2013-present
EO Media Group	Project	2011, 2016
InFocus Corporation	Project	2008
Intuit Inc.	Retainer	2013-present
Lattice Semiconductor Corp.	Retainer	2009-present
Mercy Corps	Retainer	2015-present
Milestone Systems, Inc.	Retainer	2017-present
Miller Nash Graham & Dunn	Retainer	2017-present
OMSI	Retainer	2011-present
Peet's Coffee & Tea	Retainer	2016-present
Roundhouse Agency	Project	2014

Private Sector Client*	Contract Type	Term
SAIF Corporation	Retainer	2014-present
Symantec Corporation	Retainer	2009-present
Synopsys Inc.	Retainer	2009-present
Terwilliger Plaza Inc.	Project	2014, 2016
Tonkon Torp LLP	Retainer	2010-present
Umpqua Holdings Corp.	Retainer	2012-present
Urban Airship Inc.	Project	2013
US Bakery Corporation	Project	2013
Umpqua Holdings Corp.	Retainer	2012-present
Urban Airship	Project	2013
Veritas Technologies	Retainer	2015-present
Wieden + Kennedy	Retainer	2009-present

\*It is not known whether any of the above clients approve or disapprove of the services provided by the Hyas Group.

### Texas Specific Client Experience

We currently serve as the investment consultant for the following local governmental retirement plans in Texas:

- City of Arlington
- City of Carrollton
- VIA Metropolitan Transit

#### iv. Discuss your firm's experience with similar defined contribution plan sponsors/oversight committees and how you have helped provide the best value to plan participants.

The Hyas Group takes a holistic, direct, and active approach to all consulting mandates. We seek to simplify the processes needed to make our relationships successful. In approaching every client relationship, we understand and appreciate that each committee member is busy and many clients depend on us to provide our unbiased expertise and to do much of the actual implementation work once client approval is obtained.

We consider ourselves a dedicated fiduciary and retirement plan partner to the City's Plan with respect to any and all of our recommendations. We have unparalleled expertise in the retirement plan marketplace and will place the interest of plan participants and beneficiaries foremost. Our focus on ERISA standards (even for our governmental clients who are not technically bound by this federal rule), strategic planning, and fiduciary education is a crucial part of our service delivery model and is what sets Hyas Group apart for our competitors.

The two most important measures of success for a well-run retirement plan are retirement readiness for all your employees, as well as a well-documented fiduciary process and governance structure.

### ACTIVELY ENGAGING PARTICIPANTS

The first measure is about the results and preparing your participants to actively engage with the Plan and providers in order to maximize their important retirement benefit offered by the plan sponsor.

The Hyas Group will:

- **Create a streamlined investment menu for participants**

We have been advocates of structures that provide for streamlined investment menus that help to simplify participant allocation decisions. To the extent possible we also seek to remove some of the confusion and conflict that can be involved in typical mutual fund revenue sharing structures. This may involve making use of investment vehicles that have removed the revenue sharing portion of the expense altogether. These vehicles can be simple institutional share classes of mutual funds or more complicated commingled trusts and separate accounts which can provide for lower costs and less retail features.

- **Make decision-making easier for your participants**

We believe in providing a simplified, institutional menu; one that makes it easy for participants to select a diversified line-up of low cost, value added funds. Further, we feel that removing redundant options and even brand name fund conventions can help make participant decisions easier. Diversification and simplicity are extremely important and tools that promote these things should be encouraged in the Plan. We have conducted dozens of reviews of risk-based and age-based pre-mixed portfolios and our experience with these types of investment vehicles serves our clients well.

- **Provide value for participants**

Plan sponsors ultimately want to offer plans that will maximize value for participants. While it is appropriate to charge participants for certain plan-related expenses, there is always some balance needed between the charge to participants and the overall value of the benefit being provided. To that end, most of our clients' plans are structured to allow some of the revenue that is derived from certain funds in the plan(s) to offset some, or all of the, plan-related administrative expenses. These expenses range from plan provider administrative charges to consulting fees and staff time.

We regularly assist client committees in developing a Plan budget and structuring an expense offset program that will enable Plan administration to run effectively. We have coordinated this process for several of our clients and, in most cases, a pro-rata distribution to participant methodology is used.

We also provide an annual fee analysis which is structured to provide the Committee with the tools necessary to assess the reasonableness of all plan and participant fees. We use this information to track and monitor pricing for all current clients and, when available, we also compare it to information contained in projects conducted by other competing consulting firms, as well as current recordkeeping RFPs completed by the Hyas Group. This allows us to better understand the marketplace and pricing trends relative to our clients' current provider contracts.

## ESTABLISHING A SOUND FIDUCIARY PROCESS

The second measure focuses on a prudent process of best practices, due diligence, and compliance.

The Hyas Group will:

- **Maintain Fiduciary Responsibilities**

Your consultant should work closely with the Committee in creating, reviewing, and/or updating any and all relevant governance documents (Plan Document(s), Committee Charter, Investment Policy Statement (IPS), and a Fee Policy) and ensure that proper governance documents are maintained. Acting as a co-fiduciary, we can provide coordination and oversight in areas related to compliance and fiduciary duties of your Plan. We will also provide current, timely, and appropriate education to committee members on an ongoing basis. For all of our clients, we have:

- Developed and maintained ongoing fiduciary oversight processes;
- Provided Investment Policy Statement and Committee Charter review, restructuring, and maintenance;
- Performed compliance assessments; and
- Assisted in developing and implementing Plan governance and oversight models.

- **Provide Committee Assistance, Legislative Updates, and Ongoing Training**

We understand that Committees hire us for many reasons. One of those reasons is for the support we offer the Committee and staff. Below are the key aspects of our approach to Committee support and client service:

- Assist Committee in meeting fiduciary responsibility requirements;
- Provide targeted, on-site education sessions on topical investment issues; and
- Communicate important legal and regulatory changes and trends

Our senior consultants all have over a decade of experience working with retirement plans. We regularly review plan documents, summary plan descriptions, as well as changes to the Code and statutes affecting participant savings plans.

- **Conduct Plan Benchmarking**

Plan sponsors want to be assured that their retirement plan is operating in compliance with necessary regulations and fiduciary best practices. Our evaluation services are comprehensive and our defined contribution plan review process is structured to provide our clients with the data, analysis, and recommendations it will need to achieve this outcome.

We begin our new client relationships by conducting a formal review of the Plan's investment structure, plan administration, existing vendor contracts, plan design, participant education materials, governance documents, investment options, fees, and overall structure of the Plan. Both participant and plan sponsor services are reviewed. Trends in the industry, fiduciary best practices, and state of the art services and products will be discussed. In our initial meeting with the Committee, we formally identify goals and objectives of the Committee, as well as any

strengths—or even weaknesses—of the Plan. We then establish or clarify the processes and structure, and we assist the Committee by marshalling through any necessary adjustments.

**v. Discuss your firm's experience developing a Scope of Work for record keeping services.**

We are an industry leader when it comes to conducting recordkeeping RFPs and vendor evaluation projects. The Hyas Group has conducted, on average, one vendor search per month since the firm's inception, making the firm one of the most prolific for these types of projects. Projects have been completed for plans that range in size from \$1 million to nearly \$2 billion in total assets.

**THIRD PARTY ADMINISTRATIVE AND RECORDKEEPER RFP**

Our third party administrative and record keeper RFP services are designed to be comprehensive. While cooperation and coordination are essential to the success of the project, the burden of administering the RFP should fall largely on Hyas Group as the consultant. We aim to construct, complete, and coordinate the vast majority of the project tasks on your behalf.

We also understand that any successful partnership requires a mutual understanding of the approach to completing the specific goals. The Hyas Group is committed to supporting the City and its Committee in fulfilling all of their duties to the Plan and participants. Our consulting team has conducted over three dozen provider RFP projects in the past three years, and the team is well-versed in the importance of proper, clear communications to plan sponsors and participants. Our plan review and RFP process is structured to provide the data, analysis and recommendations the Committee will need to make vendor selections and to assure your Plan is operating in compliance and maximizing value for the participants.

Our approach to the RFP project begins with a meeting with your procurement department so we can understand any purchasing rules. We will also evaluate the current provider contracts with an eye towards determining specific termination notification provisions and any liquidity or penalty provisions on investment products. The next phase is finalizing goals and objectives with the Committee members, after which we will begin the process of drafting an RFP document and identifying candidates that best meet those goals and objectives.

The resources we use to generate and review questions include our proprietary questionnaire and response data containing answers to over 150 questions from all of the leading 457 plan providers. We will also add questions as necessary to solicit information on features or objectives that are unique to the City. We are in the vendor marketplace approximately every 45 days with a search or review. Our data is therefore always very timely and relevant to the City's needs.

The RFP document seeks to capture information about each vendor candidate (including the incumbent, Empower, if applicable) in the following categories:

- Firm strength, experience and qualifications
- Participant education, communications, counseling and investment advice services
- Recordkeeping systems technology

- Plan sponsor services
- Investment offerings and platform flexibility
- Plan transition services
- Fees and expenses

After all vendor response submissions have been received, the Hyas Group will begin reviewing each submission and compiling the formal RFP analysis summary report with an executive summary. Consistent with the City's established evaluation criteria, this report will provide necessary information for making an informed shortlist selection of finalists. In this document, we summarize each vendor's response to each information request. The provider responses are positioned side-by-side in tabular format to allow for ease of comparison. The RFP analysis report also contains a detailed executive summary that provides commentary on the differences among the prospective vendor responses and how the proposed services are different and/or enhancements when compared to the current structure. The summary contains graphical and tabular comparisons for certain sections of the report (such as Fee and Expense and Investment Offerings) as well as Hyas Group commentary and opinions.

Further, we have always maintained an intense focus on developing efficient fee and revenue sharing monitoring processes. We use the information gained through our extensive RFP work to track and monitor industry pricing trends. This allows us to remain current when negotiating the City's vendor contract.

In summary form, the primary action items and components of the RFP project are outlined as follows:

## **PHASE 1 – RFP PROJECT INITIATION**

### **1) Initial planning and needs assessment**

- Coordinate with the City's Procurement Department
- Consult with the City on its vision for the future and discuss innovative industry practices and trends in participant services, communications, administration, reporting, compliance, investment integration and technology
- Establish basis for assessing employee needs and satisfaction regarding programs
- Identify operational, legal and strategic requirements
- Discuss and finalize strategic goals and objectives
- Confirm formal timeline
- Identify roles and responsibilities for vendor search project and transition plan

### **2) Data gathering and program analysis of present and forthcoming plan structure**

- Draft existing vendor data request and send to appropriate contacts at incumbent provider, Empower
- Collect and refine data

## PHASE 2 – RFP PREPARATION, RELEASE AND ANALYSIS

### 3) RFP preparation and release

- Draft RFP to the City's specifications
- Vet RFP draft with the City's sub-committee/staff as appropriate
- Finalize RFP
- Establish qualifications for potential vendor distribution based on the City's criteria
- Release RFP to qualified vendor community; assist in advertising the RFP per procurement process
- Collect and answer vendor questions regarding the RFP

### 4) RFP response analysis

- Collect all RFP responses and related materials
- Organize information and begin RFP analysis
- Confirm open issues with respondents
- Prepare Executive Summary
- Send draft RFP analysis to the City
- Finalize RFP analysis report
- Meet with the City to review analysis and make recommendations regarding vendor interview candidates

### 5) Provider interview sessions and final selection

- Notify and schedule selected vendors of interview requirements and evaluation criteria
- Provide the City with interview format and evaluation criteria
- Facilitate interview sessions by tracking time and providing instructions to all parties
- Provide recommendations and post interview analysis
- Compile notes and feedback from any site visits; produce final report
- Assist in arriving at final vendor decision

## PHASE 3 – IMPLEMENTATION

### 6) Final negotiations and contract preparation

- Contact vendor(s) to finalize any interview and/or offer specifics
- Notify successful provider of the City's intent to award contract
- Negotiate contract language
- Assist in ongoing contract and document review

### 7) Transition planning and assistance

- Coordinate provider transition plan with incumbent, any new vendor conversion teams and assigned City transition team
- Establish on-site education sessions and webcasts
- Review all transition-related documents including participant communication materials
- Participate in group transition meetings
- Attend weekly and ad hoc transition phone conferences between provider and the City



## B. LEAD CONSULTANT

Provide the name and qualifications of the individual who will serve as the Lead Consultant/primary point of contact under the Contract. At minimum, include:

- i. Number of years of experience related to the Scope of Work.
- ii. Description of the types of services managed by the individual.
- iii. Description of the size of contracts/plans managed/serviced by the individual.
- iv. Provide certifications held and the length of time the Consultant has held the certification.

Rasch Cousineau will serve as the primary consultant for this engagement. With over 20 years of experience in the retirement services industry, he offers clients a rich perspective on investment portfolio construction, retirement plan design, vendor management, plan governance, fee negotiation, RFP management, and fiduciary training.

**RASCH COUSINEAU** is a senior consultant for the Hyas Group and focuses on the firm's retirement plan sponsor clients. Prior to joining the Hyas Group, Mr. Cousineau served as national vice president, defined contribution markets for an industry-leading provider. His responsibilities included: investment only (DCIO) product implementation, mobile technology and web content creation, customer relationship management (CRM) platform design, and development of effective participant outcome tools and targeted demographic messaging. In his role as national vice president, he also led a team of institutional sales professionals responsible for nurturing the RFP process from initial client interaction through the bid response culminating in sales finals and, when applicable: contract negotiation, design, and implementation. In his prior role, he worked closely with industry consultants, investment advisers, plan sponsors, unions, and investment committees during this process. Prior to his role as national vice president, Mr. Cousineau served as the west coast vice president working directly with regional plan sponsors and committees, helping them create better retirement outcomes for their plan participants and ultimately fulfill their fiduciary responsibilities.

Mr. Cousineau spends time working with various industry organizations. He has spoken about topics such as defined contribution industry trends, plan design, fiduciary responsibility, and plan best practices. He is a member of the National Association of Government Defined Contribution Administrators (NAGDCA) and has served on NAGDCA's National Save for Retirement Week and Awards Committees. Mr. Cousineau received a Bachelor of Arts in public relations/marketing from Marist College in Poughkeepsie, New York. He is a FINRA Series 6, 63, and 65 license holder and also maintains an insurance license with the State of Nevada.

Vincent Galindo will serve as the co-consultant for this engagement. Reviewing retirement plans, evaluating features within the program, benchmarking fees and services, and monitoring investment menus is a core competency of Vincent. He has also conducted on-site due diligence trips to the major record keepers in the industry.

**VINCENT GALINDO** is a senior consultant for the Hyas Group and focuses on the firm's public sector retirement plan sponsor clients. With more than 20 years of experience in the investment services industry, he offers these clients a rich perspective on investment portfolio construction, retirement plan design, vendor management, plan governance, fee negotiation, RFP management, and fiduciary training. Prior to joining the Hyas Group, Mr. Galindo worked at Arnerich Massena, Inc. for a decade. As an institutional advisor managing retirement plan sponsor client relationships, he worked with plan sponsor committees on plan governance, fiduciary training, investment menu monitoring, vendor management, and fee analysis and review. He was a voting member of the Investment Committee as well as a member of the Arnerich Massena internal 401(k) Committee.

Mr. Galindo first started with Arnerich Massena as an education consultant in their participant education department where he was responsible for developing participant education campaigns. Before joining Arnerich Massena, Mr. Galindo ran the State of Oregon's Investor Information Program with the Division of Finance and Corporate Securities. He has also worked as a financial adviser for an asset management firm and as an equity capital markets analyst at a technology investment bank. After graduating from college, he worked in the securities litigation practice group of a major international law firm. Mr. Galindo earned a Bachelor of Arts in political science from the University of California at Berkeley. He is a former FINRA Series 7, 63, and 65 license holder. He is a member of the National Association of Government Defined Contribution Administrators (NAGDCA) where he currently serves on their Awards Committee (he has also served on NAGDCA's Leading Ideas Investment Task Force, Annual Conference Committee, Legislative Committee, and Education Taskforce as well as its Investment Policy Taskforce and Government DC Best Practices Task Force) and serves on the Board of Directors for The Children's Course — Home of the First Tee of Greater Portland.

### **SERVICE TEAM EXPERTISE**

Both Rasch Cousineau and Vincent Galindo have extensive experience working with public sector plans and have a deep understanding of governmental retirement plan reporting and review. Hyas Group senior consultants have been serving public sector 457, 401(a), and 401(k) retirement plan committees, like the City's, in various roles for more than 20 years. Reviewing retirement plans, evaluating features within the program, benchmarking fees and services, and monitoring investment menus is a core competency of Hyas Group team members. Our senior consultants have been very effective at improving these types of plans at every level and has had great success in continuously advocating for our clients' participants. Our consulting team currently works with public sector retirement plans ranging from \$5 million to nearly \$2 billion. As long-time members and supporters of National Association of Government Defined Contribution Administrators (NAGDCA), this organization has recognized the Hyas Group team's expertise in managing defined contribution plans, governmental deferred compensation programs especially.

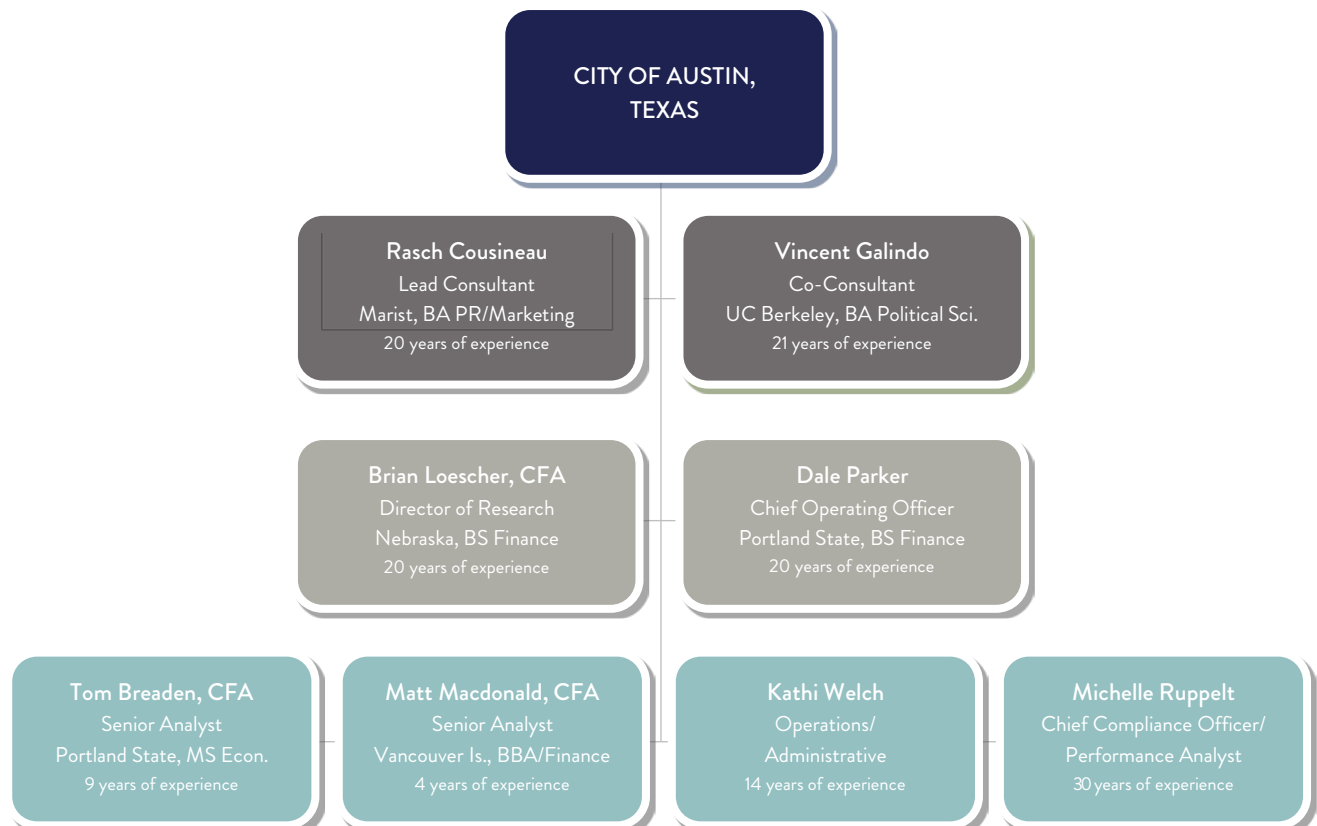
## CONSULTING TEAM CREDENTIALS

Name	Title	Education	Credentials	Industry Experience
Rasch Cousineau	Senior Consultant	BA Public Relations/Marketing, Marist	FINRA Series 6, 63, 65	20 years
Vincent Galindo	Senior Consultant	BS Political Science, UC – Berkeley	FINRA Series 7, 63, 65	20 years
Dale Parker	COO, Director of Analytics	BS Finance, Portland State	-	27 years
Brian Loescher	CIO, Director of Research	BS Finance, Nebraska	CFA	20 years
Tom Breden	Senior Analyst	MS Economics, Portland State; BS Economics & History, Oregon	CFA	9 years
Matt MacDonald	Senior Analyst	BBA Finance, Vancouver Island	CFA	4 years

## C. KEY PERSONNEL

Include names and contact information for key personnel that will be assigned to the awarded Contract. Provide a general explanation and chart which specifies project leadership, reporting responsibilities, and interface the Contractor's team with City department personnel.

### PROPOSED CONSULTING TEAM



Rasch Cousineau will serve as the primary consultant for this relationship and will be joined by Vincent Galindo as co-consultant. Rasch will be responsible for marshaling the firm's resources and ensuring that all client servicing requirements are met and he will conduct all face-to-face meetings and deliver the firm's analysis and other work product. Both Rasch and Vincent have extensive experience in working with retirement plans and their committees. They have the knowledge and capacity to deliver the services required for this relationship and will be supported by Brian Loescher, CFA, director of research; Dale Parker, chief operating officer; and Tom Breaden, CFA, Matt MacDonald, CFA, senior investment analysts, and Kathi Welch, operations manager. Mr. Loescher leads the firm's investment research efforts and is responsible for setting the criteria used to evaluate and select investment managers, mutual funds, and stable value trusts used by the firm's clients. Mr. Parker would be charged with assessing all expense, revenue and investment platform requirements. He also plays the primary role in the compilation of any provider RFP analysis, if necessary in the future. He is supported in these efforts by Mr. Breaden, Mr. MacDonald, and Ms. Welch.

The chart below further delineates the division of responsibilities among the assigned staff at the Hyas Group:

Primary Duties	Cousineau/ Galindo	Parker	Loescher	Breaden/ Macdonald	Ruppelt
Primary client contact	x				
Report and work product deliverables	x				
Meetings with Board/Committee	x				
Plan governance support	x				
Board/Committee education	x				
Analytic support		x	x	x	
Investment option evaluation	x	x	x	x	
Analysis report preparation		x		x	
Investment manager database maintenance			x	x	
Governance doc (Investment Policy) review	x		x	x	
Investment manager due-diligence & search				x	
Client contact back-up	x				
Quality control	x	x	x		x
Compliance					x

Team building is critical for our organization and we have been fortunate that nearly all employees have a long history of working together. The processes that have been cultivated over the years and the delineation of duties allow us to work effectively. We are also fortunate to have no employee ever leave the firm for any reason.

## OTHER KEY SERVICE TEAM BIOGRAPHIES

**DALE PARKER** is the chief operating officer and director of analytical services for the Hyas Group. He is responsible for supporting all aspects of the firm's operations, investment research, and a broad range of client projects. Mr. Parker serves as the analytical project lead for all clients, where he leverages his deep industry expertise in analyzing pricing and platform structure as well as investment vehicles. Prior to founding the Hyas

Group in 2008, Mr. Parker served as a senior analyst at Arnerich Massena, Inc. where he was instrumental in designing and implementing the processes and analytical tools utilized across the firm. During his 11-year Arnerich tenure, Mr. Parker was responsible for a broad range of client project work along with investment manager research. He was tasked with conducting on-site manager due diligence, interviewing money managers, and with presenting recommendations to the firm's Investment Committee. During his last five years at the firm he focused primarily on constructing and refining the pricing models and various analytical tools utilized in the evaluation of institutional client accounts.

Mr. Parker's professional career began in 1989 at Qualivest Capital Management, the subsidiary investment unit of U.S. Bancorp that managed over \$10 billion in client assets. His role encompassed a broad range of buy-side analytical work, including the initial launch and management of Qualivest's mutual fund product line as well as corporate valuation tasks. Mr. Parker holds a Bachelor of Science degree in Finance/Law from Portland State University.

**BRIAN LOESCHER, CFA** is the chief investment officer and serves as the director of research for the Hyas Group. He is responsible for leading the firm's investment research efforts and marshalling resources to effectively analyze current and prospective client investment options. Additional responsibilities include asset allocation modeling, manager contract evaluation, as well as general investment research and due diligence. Prior to joining the Hyas Group, Mr. Loescher spent 10 years at Arnerich Massena, Inc. where he served as the director of research and manager of the firm's analytics department. As director of research, he was responsible for the strategic direction of the firm's research efforts. He specialized in the sourcing of new investment managers and completion of primary due diligence within the hedge fund and private equity universes. Mr. Loescher chaired Arnerich Massena's Alternative Asset Investment Committee and was a member of the Asset Allocation and Implementation Committee, and Traditional Asset Investment Committee. In addition to these research and investment responsibilities, Mr. Loescher managed the firm's 11- member analytics department. This included personnel evaluation and training, along with project management in support of the firm's defined contribution plan, defined benefit plan, non-qualified deferred compensation plan, and wealth management and endowment/foundation clients. Mr. Loescher has been working in the financial industry since 1993.

Prior to joining Arnerich Massena, he served as financial analyst for RV Kuhns & Associates. His responsibilities included asset allocation modeling, investment policy development, performance evaluation and attribution reporting, client 401(k) education training, and quarterly market analysis. Mr. Loescher has earned the right to use the Chartered Financial Analyst (CFA) designation and is a member of the Portland Society of Financial Analysts, Portland Alternative Investment Association, and the Chartered Financial Analyst (CFA) Institute. In addition, he holds a Bachelor of Science in Business Finance from the University of Nebraska.

**TOM BREADEN, CFA** is a senior analyst and is responsible for contributing to a variety of projects including plan and vendor analyses, manager due diligence and research, production of investment performance reports, asset allocation work, and other initiatives. Prior to joining Hyas, Tom worked for five years at Heintzberger

Payne as an analyst and director of research where his primary duties included developing and guiding investment decisions, manager due diligence, performance reporting, and other duties associated with the firm's investment advisory and third party administrative branches. Tom graduated Phi Beta Kappa from the University of Oregon with dual majors in History and Economics, and received a Master of Science in Economics from Portland State University. Tom has earned the right to use the Chartered Financial Analyst (CFA) designation and is a member of the Chartered Financial Analyst (CFA) Institute and the Chartered Financial Analyst (CFA) Society of Portland.

**MATT MACDONALD, CFA** is a senior analyst and is responsible for contributing to a variety of projects including plan and vendor analyses, manager due diligence and research, production of investment performance reports, asset allocation work, and other initiatives. Prior to joining the Hyas Group, Mr. MacDonald worked at De Luca Veale Investment Counsel in British Columbia as a portfolio analyst where he was responsible for a variety of research-based, asset allocation, client related and performance reporting projects. Prior to joining De Luca Veale Investment Counsel Inc. Mr. MacDonald was an analytics intern at Rain Capital Management where he supported the firm's research efforts in the areas of investment manager diligence, economic forecasting and risk analysis. Mr. MacDonald holds a Bachelor of Business Administration with a concentration in Finance, as well as a Business Diploma from Vancouver Island University. Matt has earned the right to use the Chartered Financial Analyst (CFA) designation and is a member of the Chartered Financial Analyst (CFA) Institute.

**KATHI WELCH** is the operations manager for the Hyas Group. She is responsible for supporting the firm's operational and administrative functions and serves as an additional resource on provider evaluation RFP projects.

Prior to joining the Hyas Group, Ms. Welch worked at Arnerich Massena, Inc. as an Executive Assistant and Project Coordinator, where she was responsible for supporting senior consultants with high level administrative functions. She also served as project coordinator for the firm's provider evaluation RFP projects. Prior to her tenure at Arnerich Massena, Ms. Welch was an Executive Assistant to the Senior Vice President of Sales and Marketing at Meier & Frank, Inc. (A division of May Department Stores, now operating as Macy's).

**MICHELLE RUPPELT** is chief compliance officer for the Hyas Group. She is responsible for ensuring the Hyas Group's compliance with all SEC and state regulatory requirements. This includes review of general client information and files, contracts, correspondence and performance reports and continuous oversight of the firm's compliance program, including maintenance and updating of the firm's Form ADV, Operations Compliance Manual, Business Continuity Plan, and Code of Ethics. She also assists in client operations and performance reporting utilizing a variety of reporting platforms.

Prior to joining Hyas Group, Ms. Ruppelt worked at Arnerich Massena, Inc. as chief compliance officer, and during her 13-year tenure there, held additional positions including manager of the client services team and manager of the performance measurement department. She has nearly 30 years of experience in the financial industry, including operational and management roles in the brokerage industry.

- ii. Provide a minimum of three detailed references whom we may contact. At a minimum, include:
  - a. Client/agency name
  - b. Contact name (agency project manager), telephone, and email
  - c. Project name
  - d. Year project took place and length of project
  - e. Project budget
  - f. Project description
  - g. Personnel assigned to project and their role in the project

Unlike many of our competitors, the Hyas Group is a specialized consulting firm and institutional investment consulting is our only business. We believe that our experience and dedication to high-quality client service sets us apart — and in some ways this can only be measured by evaluating client satisfaction and retention rates. It is important to note that we have never lost a retirement plan client and our client satisfaction surveys have produced exemplary feedback.

Our retainer services go well beyond traditional investment consulting. Our role as plan advisor encompasses governance best practices, benchmarking reporting (fees, investments, and services), and assistance with fiduciary-oriented compliance such as committee training, interpretation of DOL-required fee disclosures, and advice regarding plan utilization. We encourage the City to contact any of our clients regarding the value we bring to their plans and participants.

**CLIENT:** City of Arlington, Texas 457, 401(k), PST Plans

**CONTACT:** Kari Jo Zika  
101 S. Mesquite Street, Suite 790  
Arlington, Texas 76010  
(817) 575-8987  
[kari.zika@arlingtontx.gov](mailto:kari.zika@arlingtontx.gov)

**CONTRACT:** 2015-present

**WORK**

**PERFORMED:** We have developed and maintain ongoing fiduciary oversight processes; we provide ongoing investment due-diligence, Plan and Committee consulting, fee analysis, benchmarking, manager searches, communication reviews, develop and maintain Plan administration budget, contract negotiations, and vendor management.

**ASSIGNED**

**PERSONNEL:** Vincent Galindo, Senior Consultant

**CLIENT:** City of Carrollton, Texas 457, OBRA Plans  
**CONTACT:** Bob Scott  
1945 E. Jackson Road  
Carrollton, Texas 75006  
(972) 466-3103  
[bob.scott@cityofcarrollton.com](mailto:bob.scott@cityofcarrollton.com)

**CONTRACT:** 2015 Project

**WORK  
PERFORMED:** In 2015-2016 we conducted a Third Party Administrator Request for Proposal. We evaluated the current providers, reconstructed a fund menu, and added participant services. We were recently notified that we have been retained by the City to provide ongoing investment consulting services.

**ASSIGNED  
PERSONNEL:** Vincent Galindo, Senior Consultant

**CLIENT:** City of Oakland, California 457 Deferred Compensation Plan  
**CONTACT:** Katano Kasaine, Finance Director  
150 Frank Ogawa Plaza Suite 5330  
Oakland, California 94612  
(510) 238-2989  
[kkasaine@oaklandnet.com](mailto:kkasaine@oaklandnet.com)

**CONTRACT:** 2010 to present

**WORK  
PERFORMED:** We develop and maintain ongoing fiduciary oversight processes, provide ongoing investment due-diligence, Plan and Committee consulting, fee analysis, benchmarking, manager searches, communication reviews, develop and maintain Plan administration budget, contract negotiations and vendor management. We have also conducted a Third Party Administrator RFP process to select Plan recordkeeper and we developed a new fee policy with the new recordkeeper.

**ASSIGNED  
PERSONNEL:** Jayson Davidson, Senior Consultant, Managing Partner



**CLIENT:** City of Eugene, Oregon 457 Deferred Compensation Plan  
**CONTACT:** Myrnie Daut, Risk Services Director  
City of Eugene Risk Services  
940 Willamette Street, Suite 200  
Eugene, Oregon 97401  
(541) 682-5790  
[myrnie.l.daut@ci.eugene.or.us](mailto:myrnie.l.daut@ci.eugene.or.us)

**CONTRACT:** 2009 to present

**WORK  
PERFORMED:** We develop and maintain ongoing fiduciary oversight processes, provide ongoing investment due-diligence, Plan and Committee consulting, fee analysis, benchmarking, manager searches, communication reviews, develop and maintain Plan administration budget, contract negotiations and vendor management. We have also conducted a Third Party Administrator RFI process to evaluate the current vendor and their service offerings.

**ASSIGNED  
PERSONNEL:** Jayson Davidson, Senior Consultant, Managing Partner  
Rasch Cousineau, Senior Consultant

# Section 5



## **CITY OF AUSTIN**

**Request for Proposal – No. 7400 SMB0305**

**Deferred Compensation Consultant**

**Hyas Group Response – May 30, 2017**

### **COST PROPOSAL**

- i. **As Needed Consulting Services - Provide hourly rates for each individual who will provide services under the Contract. Include name and title.**

Our proposed fee for all the As Needed Consulting Services is a fixed annual fee of \$44,000, payable in equal, quarterly installments. We would also propose a 3% cost of living increase beginning in year three of the contract. All travel and other out-of-pocket costs are included in our quoted fees.

We typically do not bill clients hourly and have a set fee for services. This allows clients to use us as resource whenever needed and to avoid any conflict with us suggesting projects that generate revenue to the firm.

- ii. **Scope of Work Development - Provide a cost breakdown for Scope of Work Development described in Paragraph 3.3 of Section 0500. Itemize cost of personnel, supplies, materials, and other direct costs. Breakdown of personnel costs should include the hourly rate for project personnel and the number of hours proposed for each task.**

We propose an all-inclusive fee of \$35,000 to provide all services outlined in the Scope of Work Development (Third Party Administrator RFP Project). This fee will be charged in two installments of \$17,500 each at the beginning and end of the project. Our fee includes all costs (travel-related, printing, miscellaneous expenses, etc.).

**Your method of costing may or may not be used but should be described.**

The Hyas Group utilizes a fixed fee pricing model for clients. The fixed fee encompasses all services and frequency of reports/meetings requested by the City, including travel costs and is capped by the contracted amount. This allows our clients to better budget for services without concerns for variable costs. We want you to utilize our consulting services and remove any conflict that is associated with us receiving more compensation for services that may not be needed.

### **PERFORMANCE GUARANTEES**

The proposed annual retainer fees represent a firm quotation to provide services to the City and its Committee on behalf of your participants.

We are so confident in our team's responsiveness in meeting your expectations that as further evidence of our commitment to provide superior quality service and deliverables to the City, we offer the following performance guarantees:

	Standard	Amount at Risk
Lead consultant response time	< 24 hours	\$2,000 per occurrence
Back-up consultant response time	< 24 hours	\$2,000 per occurrence
Analytics response time	< 24 hours	\$2,000 per occurrence
Report delivery	As contracted	\$2,000 per occurrence
Overall Satisfaction Review	Satisfactory	>\$5,000 if necessary

Client service and satisfaction are of utmost importance to us and we are the only firm we know of that offers service guarantees with dollars at risk. Exceeding your expectations at every interaction, recommendation, and project is our goal.

# Section 6



## CITY OF AUSTIN

Request for Proposal – No. 7400 SMB0305

Deferred Compensation Consultant

Hyas Group Response – May 30, 2017

### EXCEPTIONS TO THE PROPOSAL

The Hyas Group takes no exceptions to the terms and conditions of the Proposal and the proposed Professional Services Agreement. However, there are certain passages required by the Securities and Exchange Commission (SEC) that need to be acknowledged in writing. We typically incorporate these passages into our Service Agreement.

The following passages can be included in the contract or a written acknowledgement by the client would also satisfy the SEC requirements.

**Proxy Voting.** Consultant does not exercise proxy voting authority over client securities. The obligation to vote client proxies at all times rests with Client. However, Client is not precluded from contacting Consultant for advice or information about a particular proxy vote. However, Consultant will not be deemed to have proxy voting authority as a result of providing such advice to Client.

Should Consultant inadvertently receive proxy information for a security held in the Plan's account, Consultant will immediately forward such information to Client, but will not take any further action with respect to the voting of such proxy. Upon termination of this Agreement, Consultant will make a good faith and reasonable attempt to forward proxy information inadvertently received by Consultant on Client's behalf to the forwarding address provided by Client.

**Risk.** Client recognizes that there may be loss or depreciation of the value of any investment due to the fluctuation of market values. Client represents that no party to this Agreement has made any guarantee, either oral or written, that the Plan's investment objectives will be achieved. Consultant will not be liable for any error in judgment and/or for any investment losses in the absence of malfeasance, negligence or violation of applicable law. Nothing in this Agreement will constitute a waiver or limitation of any rights which Client may have under applicable state or federal law, including without limitation state and federal securities laws.

**Confidentiality.** In connection with the performance of Consultant's services under this Agreement, Consultant will hold any confidential information received from Client in strict confidence. Consultant will not disclose such information to any third party, except in compliance with Consultant's privacy policy, as necessary to perform services on Client's behalf, or as required by law. Client also agrees to respect the proprietary nature of Consultant's work product, and only disclose Consultant's advice,

reports and recommendations to others in a manner consistent with the intended purposes of this agreement.

**No Waiver.** No waiver of rights under this Agreement or the Scope of Work hereunder by either party shall constitute a subsequent waiver of this or any other right under this Agreement.

**Severability.** In the event that any of the terms of this Agreement or any Scope of Work hereunder or the performance of any obligation by either party thereunder becomes or is declared to be illegal by any court of competent jurisdiction or other governmental body, such term(s) shall be null and void and shall be deemed deleted from this Agreement or the Scope of Work. All remaining terms of this Agreement shall remain in full force and effect.

**Acknowledgement of Receipt of Part 2 Form ADV.** Client acknowledges that it has received and has had an opportunity to read Consultant's firm brochure (Form ADV, Part 2A) and applicable brochure supplements (Form ADV, Part 2B) prior to, or at the time of, entering into this Agreement.

**Acknowledgement of Receipt of Privacy Notice.** Client acknowledges that it has received and has had an opportunity to read Consultant's privacy notice prior to, or at the time of, entering in

# Section 7



# Section 8

# Section 9

# Fiduciary Fundamentals

Sample Client

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HYAS GROUP

# Section 10

Please note that we are including our Form ADV Part 2 and Part 2 Supplement and Privacy Policy for your review and files. The SEC requires us to have written confirmation from clients that they have received these documents so we request that the following be included in any contract:

**Acknowledgement of Receipt of Part 2 Form ADV.** Client acknowledges that it has received and has had an opportunity to read Consultant's firm brochure (Form ADV, Part 2A) and applicable brochure supplements (Form ADV, Part 2B) prior to, or at the time of, entering into this Agreement.

**Acknowledgement of Receipt of Privacy Notice.** Client acknowledges that it has received and has had an opportunity to read Consultant's privacy notice prior to, or at the time of, entering into this Agreement.

**FORM ADV****UNIFORM APPLICATION FOR INVESTMENT ADVISER REGISTRATION AND REPORT  
BY EXEMPT REPORTING ADVISERS****Primary Business Name: HYAS GROUP****CRD Number: 149122****Annual Amendment - All Sections****Rev. 10/2012****3/29/2016 1:30:38 PM**

**WARNING:** Complete this form truthfully. False statements or omissions may result in denial of your application, revocation of your registration, or criminal prosecution. You must keep this form updated by filing periodic amendments. See Form ADV General Instruction 4.

**Item 1 Identifying Information**

Responses to this Item tell us who you are, where you are doing business, and how we can contact you.

A. Your full legal name (if you are a sole proprietor, your last, first, and middle names):

**HYAS GROUP, LLC**

B. Name under which you primarily conduct your advisory business, if different from Item 1.A.:

**HYAS GROUP**

*List on Section 1.B. of Schedule D any additional names under which you conduct your advisory business.*

C. If this filing is reporting a change in your legal name (Item 1.A.) or primary business name (Item 1.B.), enter the new name and specify whether the name change is of

☐ your legal name or ☐ your primary business name:

D. (1) If you are registered with the SEC as an investment adviser, your SEC file number: **801-69938**

(2) If you report to the SEC as an *exempt reporting adviser*, your SEC file number:

E. If you have a number ("CRD Number") assigned by the *FINRA's* CRD system or by the IARD system, your CRD number: **149122**

*If your firm does not have a CRD number, skip this Item 1.E. Do not provide the CRD number of one of your officers, employees, or affiliates.*

F. *Principal Office and Place of Business*

(1) Address (do not use a P.O. Box):

Number and Street 1:

108 NW 9TH AVENUE, #203

City:

PORTLAND

State:

Oregon

Number and Street 2:

Country:

United States

ZIP+4/Postal Code:

97209

If this address is a private residence, check this box: ☐

*List on Section 1.F. of Schedule D any office, other than your principal office and place of business,*

*at which you conduct investment advisory business. If you are applying for registration, or are registered, with one or more state securities authorities, you must list all of your offices in the state or states to which you are applying for registration or with whom you are registered. If you are applying for SEC registration, if you are registered only with the SEC, or if you are reporting to the SEC as an exempt reporting adviser, list the largest five offices in terms of numbers of employees.*

(2) Days of week that you normally conduct business at your *principal office and place of business*:

☒ Monday - Friday ☐ Other:

Normal business hours at this location:

8:00 AM TO 5:00 PM

(3) Telephone number at this location:

971.634.1500

(4) Facsimile number at this location:

971.275.1856

G. Mailing address, if different from your *principal office and place of business* address:

Number and Street 1:

Number and Street 2:

City:

State:

Country:

ZIP+4/Postal Code:

If this address is a private residence, check this box: ☐

H. If you are a sole proprietor, state your full residence address, if different from your *principal office and place of business* address in Item 1.F.:

Number and Street 1:

Number and Street 2:

City:

State:

Country:

ZIP+4/Postal Code:

**Yes No**

I. Do you have one or more websites?

☒ ☐

*If "yes," list all website addresses on Section 1.I. of Schedule D. If a website address serves as a portal through which to access other information you have published on the web, you may list the portal without listing addresses for all of the other information. Some advisers may need to list more than one portal address. Do not provide individual electronic mail (e-mail) addresses in response to this Item.*

J. Provide the name and contact information of your Chief Compliance Officer: If you are an *exempt reporting adviser*, you must provide the contact information for your Chief Compliance Officer, if you have one. If not, you must complete Item 1.K. below.

Name:

Other titles, if any:

MICHELLE WORTHINGTON-RUPPELT

CHIEF COMPLIANCE OFFICER

Telephone number:  
(971) 634-1508

Facsimile number:  
(971) 275-1856

Number and Street 1:  
108 NW 9TH AVE. #203

Number and Street 2:

City:  
PORTLAND

State:  
Oregon

Country:  
United States

ZIP+4/Postal Code:  
97209

Electronic mail (e-mail) address, if Chief Compliance Officer has one:  
MRUPPELT@HYASGROUP.COM

- K. Additional Regulatory Contact Person: If a person other than the Chief Compliance Officer is authorized to receive information and respond to questions about this Form ADV, you may provide that information here.

Name:  
BRIAN LOESCHER

Titles:  
DIRECTOR

Telephone number:  
(971) 634-1503

Facsimile number:  
971-275-1856

Number and Street 1:  
108 NW 9TH AVE. #203

Number and Street 2:

City:  
PORTLAND

State:  
Oregon

Country:  
United States

ZIP+4/Postal Code:  
97209

Electronic mail (e-mail) address, if contact person has one:  
BLOESCHER@HYASGROUP.COM

**Yes No**

- L. Do you maintain some or all of the books and records you are required to keep under Section 204 of the Advisers Act, or similar state law, somewhere other than your *principal office and place of business*? ☐ ☒

*If "yes," complete Section 1.L. of Schedule D.*

**Yes No**

- M. Are you registered with a *foreign financial regulatory authority*? ☐ ☒

*Answer "no" if you are not registered with a foreign financial regulatory authority, even if you have an*



affiliate that is registered with a foreign financial regulatory authority. If "yes," complete Section 1.M. of Schedule D.

Yes No

- N. Are you a public reporting company under Sections 12 or 15(d) of the Securities Exchange Act of 1934? ☐ ☒

If "yes," provide your CIK number (Central Index Key number that the SEC assigns to each public reporting company):

Yes No

- O. Did you have \$1 billion or more in assets on the last day of your most recent fiscal year? ☐ ☒

- P. Provide your *Legal Entity Identifier* if you have one:

A *legal entity identifier* is a unique number that companies use to identify each other in the financial marketplace. In the first half of 2011, the *legal entity identifier* standard was still in development. You may not have a *legal entity identifier*.

#### SECTION 1.B. Other Business Names

No Information Filed

#### SECTION 1.F. Other Offices

No Information Filed

#### SECTION 1.I. Website Addresses

List your website addresses. You must complete a separate Schedule D Section 1.I. for each website address.

Website Address: HTTP://WWW.HYASGROUP.COM

#### SECTION 1.L. Location of Books and Records

No Information Filed

**SECTION 1.M. Registration with Foreign Financial Regulatory Authorities**

No Information Filed

**Item 2 SEC Registration/Reporting**

Responses to this Item help us (and you) determine whether you are eligible to register with the SEC. Complete this Item 2.A. only if you are applying for SEC registration or submitting an *annual updating amendment* to your SEC registration.

A. To register (or remain registered) with the SEC, you must check **at least one** of the Items 2.A.(1) through 2.A.(12), below. If you are submitting an *annual updating amendment* to your SEC registration and you are no longer eligible to register with the SEC, check Item 2.A.(13). Part 1A Instruction 2 provides information to help you determine whether you may affirmatively respond to each of these items.

You (the adviser):

- ☐ (1) are a **large advisory firm** that either:
- (a) has regulatory assets under management of \$100 million (in U.S. dollars) or more, or
  - (b) has regulatory assets under management of \$90 million (in U.S. dollars) or more at the time of filing its most recent *annual updating amendment* and is registered with the SEC;
- ☐ (2) are a **mid-sized advisory firm** that has regulatory assets under management of \$25 million (in U.S. dollars) or more but less than \$100 million (in U.S. dollars) and you are either:
- (a) not required to be registered as an adviser with the *state securities authority* of the state where you maintain your *principal office and place of business*, or
  - (b) not subject to examination by the *state securities authority* of the state where you maintain your *principal office and place of business*;
- Click **HERE** for a list of states in which an investment adviser, if registered, would not be subject to examination by the state securities authority.*
- ☐ (3) have your *principal office and place of business* in **Wyoming** (which does not regulate advisers);
- ☐ (4) have your *principal office and place of business* **outside the United States**;
- ☐ (5) are an **investment adviser (or sub-adviser) to an investment company** registered under the Investment Company Act of 1940;
- ☐ (6) are an **investment adviser to a company which has elected to be a business development company** pursuant to section 54 of the Investment Company Act of 1940 and has not withdrawn the election, and you have at least \$25 million of regulatory assets under management;
- ☒ (7) are a **pension consultant** with respect to assets of plans having an aggregate value of at least \$200,000,000 that qualifies for the exemption in rule 203A-2(a);
- ☐ (8) are a **related adviser** under rule 203A-2(b) that *controls*, is *controlled* by, or is under common *control* with, an investment adviser that is registered with the SEC, and your *principal office and place of business* is the same as the registered adviser;
- If you check this box, complete Section 2.A.(8) of Schedule D.*
- ☐ (9) are a **newly formed adviser** relying on rule 203A-2(c) because you expect to be eligible for SEC registration within 120 days;

*If you check this box, complete Section 2.A.(9) of Schedule D.*

- ☐ (10) are a **multi-state adviser** that is required to register in 15 or more states and is relying on rule 203A-2(d);

*If you check this box, complete Section 2.A.(10) of Schedule D.*

- ☐ (11) are an **Internet adviser** relying on rule 203A-2(e);
- ☐ (12) have **received an SEC order** exempting you from the prohibition against registration with the SEC;

*If you check this box, complete Section 2.A.(12) of Schedule D.*

- ☐ (13) are **no longer eligible** to remain registered with the SEC.

### **State Securities Authority Notice Filings and State Reporting by Exempt Reporting Advisers**

- C. Under state laws, SEC-registered advisers may be required to provide to *state securities authorities* a copy of the Form ADV and any amendments they file with the SEC. These are called *notice filings*. In addition, *exempt reporting advisers* may be required to provide *state securities authorities* with a copy of reports and any amendments they file with the SEC. If this is an initial application or report, check the box(es) next to the state(s) that you would like to receive notice of this and all subsequent filings or reports you submit to the SEC. If this is an amendment to direct your *notice filings* or reports to additional state(s), check the box(es) next to the state(s) that you would like to receive notice of this and all subsequent filings or reports you submit to the SEC. If this is an amendment to your registration to stop your *notice filings* or reports from going to state(s) that currently receive them, uncheck the box(es) next to those state(s).

#### **Jurisdictions**

<input type="checkbox"/> AL	<input type="checkbox"/> ID	<input type="checkbox"/> MO	<input type="checkbox"/> PA
<input type="checkbox"/> AK	<input type="checkbox"/> IL	<input type="checkbox"/> MT	<input type="checkbox"/> PR
<input type="checkbox"/> AZ	<input type="checkbox"/> IN	<input type="checkbox"/> NE	<input type="checkbox"/> RI
<input type="checkbox"/> AR	<input type="checkbox"/> IA	<input type="checkbox"/> NV	<input type="checkbox"/> SC
<input checked="" type="checkbox"/> CA	<input type="checkbox"/> KS	<input type="checkbox"/> NH	<input type="checkbox"/> SD
<input type="checkbox"/> CO	<input type="checkbox"/> KY	<input type="checkbox"/> NJ	<input type="checkbox"/> TN
<input type="checkbox"/> CT	<input type="checkbox"/> LA	<input type="checkbox"/> NM	<input checked="" type="checkbox"/> TX
<input type="checkbox"/> DE	<input type="checkbox"/> ME	<input type="checkbox"/> NY	<input type="checkbox"/> UT
<input type="checkbox"/> DC	<input type="checkbox"/> MD	<input type="checkbox"/> NC	<input type="checkbox"/> VT
<input type="checkbox"/> FL	<input type="checkbox"/> MA	<input type="checkbox"/> ND	<input type="checkbox"/> VI
<input type="checkbox"/> GA	<input type="checkbox"/> MI	<input type="checkbox"/> OH	<input type="checkbox"/> VA
<input type="checkbox"/> GU	<input type="checkbox"/> MN	<input type="checkbox"/> OK	<input checked="" type="checkbox"/> WA
<input type="checkbox"/> HI	<input type="checkbox"/> MS	<input checked="" type="checkbox"/> OR	<input type="checkbox"/> WV
			<input type="checkbox"/> WI

*If you are amending your registration to stop your notice filings or reports from going to a state that currently receives them and you do not want to pay that state's notice filing or report filing fee for the coming year, your amendment must be filed before the end of the year (December 31).*

**SECTION 2.A.(8) Related Adviser**

If you are relying on the exemption in rule 203A-2(b) from the prohibition on registration because you *control*, are *controlled by*, or are under common *control* with an investment adviser that is registered with the SEC and your *principal office and place of business* is the same as that of the registered adviser, provide the following information:

Name of Registered Investment Adviser

CRD Number of Registered Investment Adviser

SEC Number of Registered Investment Adviser  
801 -

**SECTION 2.A.(9) Newly Formed Adviser**

If you are relying on rule 203A-2(c), the newly formed adviser exemption from the prohibition on registration, you are required to make certain representations about your eligibility for SEC registration. By checking the appropriate boxes, you will be deemed to have made the required representations. You must make both of these representations:

- ☐ I am not registered or required to be registered with the SEC or a *state securities authority* and I have a reasonable expectation that I will be eligible to register with the SEC within 120 days after the date my registration with the SEC becomes effective.
- ☐ I undertake to withdraw from SEC registration if, on the 120th day after my registration with the SEC becomes effective, I would be prohibited by Section 203A(a) of the Advisers Act from registering with the SEC.

**SECTION 2.A.(10) Multi-State Adviser**

If you are relying on rule 203A-2(d), the multi-state adviser exemption from the prohibition on registration, you are required to make certain representations about your eligibility for SEC registration. By checking the appropriate boxes, you will be deemed to have made the required representations.

If you are applying for registration as an investment adviser with the SEC, you must make both of these representations:

- ☐ I have reviewed the applicable state and federal laws and have concluded that I am required by the laws of 15 or more states to register as an investment adviser with the *state securities authorities* in those states.
- ☐ I undertake to withdraw from SEC registration if I file an amendment to this registration indicating that I would be required by the laws of fewer than 15 states to register as an investment adviser with the *state securities authorities* of those states.

If you are submitting your *annual updating amendment*, you must make this representation:

- ☐ Within 90 days prior to the date of filing this amendment, I have reviewed the applicable state and federal laws and have concluded that I am required by the laws of at least 15 states to register as an investment

adviser with the *state securities authorities* in those states.

**SECTION 2.A.(12) SEC Exemptive Order**

If you are relying upon an SEC *order* exempting you from the prohibition on registration, provide the following information:

Application Number:

803-

Date of *order*:

**Item 3 Form of Organization****A. How are you organized?**

- ☐ Corporation
- ☐ Sole Proprietorship
- ☐ Limited Liability Partnership (LLP)
- ☐ Partnership
- ☒ Limited Liability Company (LLC)
- ☐ Limited Partnership (LP)
- ☐ Other (specify):

*If you are changing your response to this Item, see Part 1A Instruction 4.*

**B. In what month does your fiscal year end each year?**

DECEMBER

**C. Under the laws of what state or country are you organized?**

State    Country

Oregon    United States

*If you are a partnership, provide the name of the state or country under whose laws your partnership was formed. If you are a sole proprietor, provide the name of the state or country where you reside.*

*If you are changing your response to this Item, see Part 1A Instruction 4.*

**Item 4 Successions****Yes No**

- A. Are you, at the time of this filing, succeeding to the business of a registered investment adviser? ☐ ☒

*If "yes", complete Item 4.B. and Section 4 of Schedule D.*

- B. Date of Succession: (MM/DD/YYYY)

*If you have already reported this succession on a previous Form ADV filing, do not report the succession again. Instead, check "No." See Part 1A Instruction 4.*

**SECTION 4 Successions**

No Information Filed



**Item 5 Information About Your Advisory Business - Employees, Clients, and Compensation**

Responses to this Item help us understand your business, assist us in preparing for on-site examinations, and provide us with data we use when making regulatory policy. Part 1A Instruction 5.a. provides additional guidance to newly formed advisers for completing this Item 5.

**Employees**

*If you are organized as a sole proprietorship, include yourself as an employee in your responses to Item 5.A. and Items 5.B.(1), (2), (3), (4), and (5). If an employee performs more than one function, you should count that employee in each of your responses to Items 5.B.(1), (2), (3), (4), and (5).*

- A. Approximately how many *employees* do you have? Include full- and part-time *employees* but do not include any clerical workers.

10

- B. (1) Approximately how many of the *employees* reported in 5.A. perform investment advisory functions (including research)?

8

- (2) Approximately how many of the *employees* reported in 5.A. are registered representatives of a broker-dealer?

0

- (3) Approximately how many of the *employees* reported in 5.A. are registered with one or more *state securities authorities* as *investment adviser representatives*?

5

- (4) Approximately how many of the *employees* reported in 5.A. are registered with one or more *state securities authorities* as *investment adviser representatives* for an investment adviser other than you?

0

- (5) Approximately how many of the *employees* reported in 5.A. are licensed agents of an insurance company or agency?

0

- (6) Approximately how many firms or other *persons* solicit advisory *clients* on your behalf?

0

*In your response to Item 5.B.(6), do not count any of your employees and count a firm only once – do not count each of the firm's employees that solicit on your behalf.*

**Clients**

*In your responses to Items 5.C. and 5.D. do not include as "clients" the investors in a private fund you advise, unless you have a separate advisory relationship with those investors.*

- C. (1) To approximately how many *clients* did you provide investment advisory services during your most recently completed fiscal year?

- ☐ 0
 ☐ 1-10
 ☐ 11-25  
☒ 26-100
 ☐ More than 100  
 If more than 100, how many?  
 (round to the nearest 100)

(2) Approximately what percentage of your *clients* are non-United States persons?

0%

D. For purposes of this Item 5.D., the category "individuals" includes trusts, estates, and 401(k) plans and IRAs of individuals and their family members, but does not include businesses organized as sole proprietorships. The category "business development companies" consists of companies that have made an election pursuant to section 54 of the Investment Company Act of 1940. Unless you provide advisory services pursuant to an investment advisory contract to an investment company registered under the Investment Company Act of 1940, check "None" in response to Item 5.D.(1)(d) and do not check any of the boxes in response to Item 5.D.(2)(d).

(1) What types of *clients* do you have? Indicate the approximate percentage that each type of *client* comprises of your total number of *clients*. If a *client* fits into more than one category, check all that apply.

	None	Up to 10%	11- 25%	26- 50%	51- 75%	76- 99%	100%
(a) Individuals (other than <i>high net worth individuals</i> )	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
(b) <i>High net worth individuals</i>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
(c) Banking or thrift institutions	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
(d) Investment companies	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
(e) Business development companies	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
(f) Pooled investment vehicles (other than investment companies)	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
(g) Pension and profit sharing plans (but not the plan participants)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
(h) Charitable organizations	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
(i) Corporations or other businesses not listed above	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
(j) State or municipal <i>government entities</i>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
(k) Other investment advisers	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
(l) Insurance companies	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
(m) Other:	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

(2) Indicate the approximate amount of your regulatory assets under management (reported in Item 5.F. below) attributable to each of the following type of *client*. If a *client* fits into more than one category, check all that apply.

	<u>None</u>	<u>Up to 25%</u>	<u>Up to 50%</u>	<u>Up to 75%</u>	<u>&gt;75%</u>
(a) Individuals (other than <i>high net worth individuals</i> )	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
(b) <i>High net worth individuals</i>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
(c) Banking or thrift institutions	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
(d) Investment companies	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
(e) Business development companies	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
(f) Pooled investment vehicles (other than investment companies)	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
(g) Pension and profit sharing plans (but not the plan participants)	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
(h) Charitable organizations	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
(i) Corporations or other businesses not listed above	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
(j) State or municipal <i>government entities</i>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
(k) Other investment advisers	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
(l) Insurance companies	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
(m) Other:	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

### Compensation Arrangements

E. You are compensated for your investment advisory services by (check all that apply):

- ☒ (1) A percentage of assets under your management
- ☐ (2) Hourly charges
- ☐ (3) Subscription fees (for a newsletter or periodical)
- ☒ (4) Fixed fees (other than subscription fees)
- ☐ (5) Commissions
- ☐ (6) *Performance-based fees*
- ☐ (7) Other (specify):

### Item 5 Information About Your Advisory Business - Regulatory Assets Under Management

#### Regulatory Assets Under Management

		Yes	No
F. (1)	Do you provide continuous and regular supervisory or management services to securities portfolios?	<input checked="" type="radio"/>	<input type="radio"/>
(2)	If yes, what is the amount of your regulatory assets under management and total number of accounts?		
	U.S. Dollar Amount	Total Number of Accounts	
Discretionary:	(a) \$ 17,500,239	(d) 3	
Non-Discretionary:	(b) \$ 0	(e) 0	
Total:	(c) \$ 17,500,239	(f) 3	

*Part 1A Instruction 5.b. explains how to calculate your regulatory assets under management. You*

*must follow these instructions carefully when completing this Item.*

## Item 5 Information About Your Advisory Business - Advisory Activities

### Advisory Activities

G. What type(s) of advisory services do you provide? Check all that apply.

- ☐ (1) Financial planning services
- ☒ (2) Portfolio management for individuals and/or small businesses
- ☐ (3) Portfolio management for investment companies (as well as "business development companies" that have made an election pursuant to section 54 of the Investment Company Act of 1940)
- ☐ (4) Portfolio management for pooled investment vehicles (other than investment companies)
- ☒ (5) Portfolio management for businesses (other than small businesses) or institutional *clients* (other than registered investment companies and other pooled investment vehicles)
- ☒ (6) Pension consulting services
- ☒ (7) Selection of other advisers (including *private fund* managers)
- ☐ (8) Publication of periodicals or newsletters
- ☐ (9) Security ratings or pricing services
- ☐ (10) Market timing services
- ☐ (11) Educational seminars/workshops
- ☐ (12) Other(specify):

*Do not check Item 5.G.(3) unless you provide advisory services pursuant to an investment advisory contract to an investment company registered under the Investment Company Act of 1940, including as a subadviser. If you check Item 5.G.(3), report the 811 or 814 number of the investment company or investment companies to which you provide advice in Section 5.G.(3) of Schedule D.*

H. If you provide financial planning services, to how many *clients* did you provide these services during your last fiscal year?

- ☐ 0
- ☐ 1 - 10
- ☐ 11 - 25
- ☐ 26 - 50
- ☐ 51 - 100
- ☐ 101 - 250
- ☐ 251 - 500
- ☐ More than 500

If more than 500, how many?  
(round to the nearest 500)

*In your responses to this Item 5.H., do not include as "clients" the investors in a private fund you advise, unless you have a separate advisory relationship with those investors.*

I. If you participate in a *wrap fee program*, do you (check all that apply):

- ☐ (1) *sponsor the wrap fee program?*
- ☐ (2) *act as a portfolio manager for the wrap fee program?*

*If you are a portfolio manager for a wrap fee program, list the names of the programs and their sponsors in Section 5.I.(2) of Schedule D.*

*If your involvement in a wrap fee program is limited to recommending wrap fee programs to your clients, or you advise a mutual fund that is offered through a wrap fee program, do not check either Item 5.I.(1) or 5.I.(2).*

**Yes No**

- J. In response to Item 4.B. of Part 2A of Form ADV, do you indicate that you provide investment advice only with respect to limited types of investments?

☐ ☒

**SECTION 5.G.(3) Advisers to Registered Investment Companies and Business Development Companies**

No Information Filed

**SECTION 5.I.(2) Wrap Fee Programs**

No Information Filed

**Item 6 Other Business Activities**

In this Item, we request information about your firm's other business activities.

**A. You are actively engaged in business as a (check all that apply):**

- ☐ (1) broker-dealer (registered or unregistered)
- ☐ (2) registered representative of a broker-dealer
- ☐ (3) commodity pool operator or commodity trading advisor (whether registered or exempt from registration)
- ☐ (4) futures commission merchant
- ☐ (5) real estate broker, dealer, or agent
- ☐ (6) insurance broker or agent
- ☐ (7) bank (including a separately identifiable department or division of a bank)
- ☐ (8) trust company
- ☐ (9) registered municipal advisor
- ☐ (10) registered security-based swap dealer
- ☐ (11) major security-based swap participant
- ☐ (12) accountant or accounting firm
- ☐ (13) lawyer or law firm
- ☐ (14) other financial product salesperson (specify):

*If you engage in other business using a name that is different from the names reported in Items 1.A. or 1.B, complete Section 6.A. of Schedule D.*

- |  | <b>Yes</b>            | <b>No</b>                        |
|--|-----------------------|----------------------------------|
| B. (1) Are you actively engaged in any other business not listed in Item 6.A. (other than giving investment advice)? | <input type="radio"/> | <input checked="" type="radio"/> |
| (2) If yes, is this other business your primary business?  | <input type="radio"/> | <input type="radio"/>            |

*If "yes," describe this other business on Section 6.B.(2) of Schedule D, and if you engage in this business under a different name, provide that name.*

- |   | <b>Yes</b>                       | <b>No</b>             |
|---|----------------------------------|-----------------------|
| (3) Do you sell products or provide services other than investment advice to your advisory clients? | <input checked="" type="radio"/> | <input type="radio"/> |

*If "yes," describe this other business on Section 6.B.(3) of Schedule D, and if you engage in this business under a different name, provide that name.*

**SECTION 6.A. Names of Your Other Businesses**

No Information Filed

**SECTION 6.B.(2) Description of Primary Business**

Describe your primary business (not your investment advisory business):

If you engage in that business under a different name, provide that name:

**SECTION 6.B.(3) Description of Other Products and Services**

Describe other products or services you sell to your *client*, You may omit products and services that you listed in Section 6.B.(2) above.

HYAS GROUP PERFORMS THE FOLLOWING SERVICES WHICH ARE NOT DIRECTLY INVESTMENT ADVISORY IN NATURE: CONSULTING WITH INV. COMMITTEES, PENSION PLAN REVIEW & ANALYSIS, FIDUCIARY EDUCATION & TRAINING, PLAN FEE & REVENUE ANALYSIS, AND VENDOR SEARCH PROJECTS.

If you engage in that business under a different name, provide that name.

**Item 7 Financial Industry Affiliations**

In this Item, we request information about your financial industry affiliations and activities. This information identifies areas in which conflicts of interest may occur between you and your *clients*.

- A. This part of Item 7 requires you to provide information about you and your *related persons*, including foreign affiliates. Your *related persons* are all of your *advisory affiliates* and any *person* that is under common *control* with you.

You have a *related person* that is a (check all that apply):

- ☐ (1) broker-dealer, municipal securities dealer, or government securities broker or dealer (registered or unregistered)
- ☐ (2) other investment adviser (including financial planners)
- ☐ (3) registered municipal advisor
- ☐ (4) registered security-based swap dealer
- ☐ (5) major security-based swap participant
- ☐ (6) commodity pool operator or commodity trading advisor (whether registered or exempt from registration)
- ☐ (7) futures commission merchant
- ☐ (8) banking or thrift institution
- ☐ (9) trust company
- ☐ (10) accountant or accounting firm
- ☐ (11) lawyer or law firm
- ☐ (12) insurance company or agency
- ☐ (13) pension consultant
- ☐ (14) real estate broker or dealer
- ☐ (15) sponsor or syndicator of limited partnerships (or equivalent), excluding pooled investment vehicles
- ☐ (16) sponsor, general partner, managing member (or equivalent) of pooled investment vehicles

*For each related person, including foreign affiliates that may not be registered or required to be registered in the United States, complete Section 7.A. of Schedule D.*

*You do not need to complete Section 7.A. of Schedule D for any related person if: (1) you have no business dealings with the related person in connection with advisory services you provide to your clients; (2) you do not conduct shared operations with the related person; (3) you do not refer clients or business to the related person, and the related person does not refer prospective clients or business to you; (4) you do not share supervised persons or premises with the related person; and (5) you have no reason to believe that your relationship with the related person otherwise creates a conflict of interest with your clients.*

*You must complete Section 7.A. of Schedule D for each related person acting as qualified custodian in connection with advisory services you provide to your clients (other than any mutual fund transfer agent pursuant to rule 206(4)-2(b)(1)), regardless of whether you have determined the related person to be operationally independent under rule 206(4)-2 of the Advisers Act.*

**SECTION 7.A. Financial Industry Affiliations**

No Information Filed



**Item 7 Private Fund Reporting****Yes No**B. Are you an adviser to any *private fund*? ☐ ☒

*If "yes," then for each private fund that you advise, you must complete a Section 7.B.(1) of Schedule D, except in certain circumstances described in the next sentence and in Instruction 6 of the Instructions to Part 1A. If another adviser reports this information with respect to any such private fund in Section 7.B.(1) of Schedule D of its Form ADV (e.g., if you are a subadviser), do not complete Section 7.B.(1) of Schedule D with respect to that private fund. You must, instead, complete Section 7.B.(2) of Schedule D.*

*In either case, if you seek to preserve the anonymity of a private fund client by maintaining its identity in your books and records in numerical or alphabetical code, or similar designation, pursuant to rule 204-2(d), you may identify the private fund in Section 7.B.(1) or 7.B.(2) of Schedule D using the same code or designation in place of the fund's name.*

**SECTION 7.B.(1) Private Fund Reporting**

No Information Filed

**SECTION 7.B.(2) Private Fund Reporting**

No Information Filed

**Item 8 Participation or Interest in *Client* Transactions**

In this Item, we request information about your participation and interest in your *clients'* transactions. This information identifies additional areas in which conflicts of interest may occur between you and your *clients*.

Like Item 7, Item 8 requires you to provide information about you and your *related persons*, including foreign affiliates.

**Proprietary Interest in *Client* Transactions**

- | A. Do you or any <i>related person</i> :   | Yes                   | No                               |
|--|-----------------------|----------------------------------|
| (1) buy securities for yourself from advisory <i>clients</i> , or sell securities you own to advisory <i>clients</i> (principal transactions)?   | <input type="radio"/> | <input checked="" type="radio"/> |
| (2) buy or sell for yourself securities (other than shares of mutual funds) that you also recommend to advisory <i>clients</i> ?   | <input type="radio"/> | <input checked="" type="radio"/> |
| (3) recommend securities (or other investment products) to advisory <i>clients</i> in which you or any <i>related person</i> has some other proprietary (ownership) interest (other than those mentioned in Items 8.A.(1) or (2))? | <input type="radio"/> | <input checked="" type="radio"/> |

**Sales Interest in *Client* Transactions**

- | B. Do you or any <i>related person</i> :   | Yes                   | No                               |
|--|-----------------------|----------------------------------|
| (1) as a broker-dealer or registered representative of a broker-dealer, execute securities trades for brokerage customers in which advisory <i>client</i> securities are sold to or bought from the brokerage customer (agency cross transactions)?        | <input type="radio"/> | <input checked="" type="radio"/> |
| (2) recommend purchase of securities to advisory <i>clients</i> for which you or any <i>related person</i> serves as underwriter, general or managing partner, or purchaser representative?  | <input type="radio"/> | <input checked="" type="radio"/> |
| (3) recommend purchase or sale of securities to advisory <i>clients</i> for which you or any <i>related person</i> has any other sales interest (other than the receipt of sales commissions as a broker or registered representative of a broker-dealer)? | <input type="radio"/> | <input checked="" type="radio"/> |

**Investment or Brokerage Discretion**

- | C. Do you or any <i>related person</i> have <i>discretionary authority</i> to determine the:  | Yes                              | No                               |
|---|----------------------------------|----------------------------------|
| (1) securities to be bought or sold for a <i>client's</i> account?  | <input checked="" type="radio"/> | <input type="radio"/>            |
| (2) amount of securities to be bought or sold for a <i>client's</i> account?  | <input checked="" type="radio"/> | <input type="radio"/>            |
| (3) broker or dealer to be used for a purchase or sale of securities for a <i>client's</i> account?   | <input type="radio"/>            | <input checked="" type="radio"/> |
| (4) commission rates to be paid to a broker or dealer for a <i>client's</i> securities transactions?  | <input type="radio"/>            | <input checked="" type="radio"/> |
| D. If you answer "yes" to C.(3) above, are any of the brokers or dealers <i>related persons</i> ?   | <input type="radio"/>            | <input checked="" type="radio"/> |
| E. Do you or any <i>related person</i> recommend brokers or dealers to <i>clients</i> ?   | <input checked="" type="radio"/> | <input type="radio"/>            |
| F. If you answer "yes" to E above, are any of the brokers or dealers <i>related persons</i> ?   | <input type="radio"/>            | <input checked="" type="radio"/> |
| G. (1) Do you or any <i>related person</i> receive research or other products or services other than execution from a broker-dealer or a third party ("soft dollar benefits") in connection with <i>client</i> securities transactions? | <input type="radio"/>            | <input checked="" type="radio"/> |
| (2) If "yes" to G.(1) above, are all the "soft dollar benefits" you or any <i>related persons</i> receive eligible "research or brokerage services" under section 28(e) of the Securities Exchange                                      | <input type="radio"/>            | <input type="radio"/>            |

## Act of 1934?

- H. Do you or any *related person*, directly or indirectly, compensate any *person* for *client* referrals? ☐ ☒
- I. Do you or any *related person*, directly or indirectly, receive compensation from any *person* for *client* referrals? ☐ ☒

*In responding to Items 8.H and 8.I., consider all cash and non-cash compensation that you or a related person gave to (in answering Item 8.H) or received from (in answering Item 8.I) any person in exchange for client referrals, including any bonus that is based, at least in part, on the number or amount of client referrals.*

**Item 9 Custody**

In this Item, we ask you whether you or a *related person* has *custody* of *client* (other than *clients* that are investment companies registered under the Investment Company Act of 1940) assets and about your custodial practices.

- A. (1) Do you have *custody* of any advisory *clients*': **Yes No**
- (a) cash or bank accounts? ☐ ☒
- (b) securities? ☐ ☒

*If you are registering or registered with the SEC, answer "No" to Item 9.A.(1)(a) and (b) if you have custody solely because (i) you deduct your advisory fees directly from your clients' accounts, or (ii) a related person has custody of client assets in connection with advisory services you provide to clients, but you have overcome the presumption that you are not operationally independent (pursuant to Advisers Act rule 206(4)-(2)(d)(5)) from the related person.*

- (2) If you checked "yes" to Item 9.A.(1)(a) or (b), what is the approximate amount of *client* funds and securities and total number of *clients* for which you have *custody*:

U.S. Dollar Amount	Total Number of <i>Clients</i>
(a) \$	(b)

*If you are registering or registered with the SEC and you have custody solely because you deduct your advisory fees directly from your clients' accounts, do not include the amount of those assets and the number of those clients in your response to Item 9.A.(2). If your related person has custody of client assets in connection with advisory services you provide to clients, do not include the amount of those assets and number of those clients in your response to 9.A.(2). Instead, include that information in your response to Item 9.B.(2).*

- B. (1) In connection with advisory services you provide to *clients*, do any of your *related persons* have *custody* of any of your advisory *clients*': **Yes No**
- (a) cash or bank accounts? ☐ ☒
- (b) securities? ☐ ☒

*You are required to answer this item regardless of how you answered Item 9.A.(1)(a) or (b).*

- (2) If you checked "yes" to Item 9.B.(1)(a) or (b), what is the approximate amount of *client* funds and securities and total number of *clients* for which your *related persons* have *custody*:

U.S. Dollar Amount	Total Number of <i>Clients</i>
(a) \$	(b)

- C. If you or your *related persons* have *custody* of *client* funds or securities in connection with advisory services you provide to *clients*, check all the following that apply:
- (1) A qualified custodian(s) sends account statements at least quarterly to the investors in the pooled investment vehicle(s) you manage. ☐
- (2) An *independent public accountant* audits annually the pooled investment vehicle(s) that ☐

you manage and the audited financial statements are distributed to the investors in the pools.

- (3) An *independent public accountant* conducts an annual surprise examination of *client* funds and securities. ☐
- (4) An *independent public accountant* prepares an internal control report with respect to custodial services when you or your *related persons* are qualified custodians for *client* funds and securities. ☐

*If you checked Item 9.C.(2), C.(3) or C.(4), list in Section 9.C. of Schedule D the accountants that are engaged to perform the audit or examination or prepare an internal control report. (If you checked Item 9.C.(2), you do not have to list auditor information in Section 9.C. of Schedule D if you already provided this information with respect to the private funds you advise in Section 7.B.(1) of Schedule D).*

D. Do you or your *related person(s)* act as qualified custodians for your *clients* in connection with advisory services you provide to *clients*? **Yes No**

- (1) you act as a qualified custodian ☐ ☒
- (2) your *related person(s)* act as qualified custodian(s) ☐ ☒

*If you checked "yes" to Item 9.D.(2), all related persons that act as qualified custodians (other than any mutual fund transfer agent pursuant to rule 206(4)-2(b)(1)) must be identified in Section 7.A. of Schedule D, regardless of whether you have determined the related person to be operationally independent under rule 206(4)-2 of the Advisers Act.*

- E. If you are filing your *annual updating amendment* and you were subject to a surprise examination by an *independent public accountant* during your last fiscal year, provide the date (MM/YYYY) the examination commenced:
- F. If you or your *related persons* have *custody of client* funds or securities, how many persons, including, but not limited to, you and your *related persons*, act as qualified custodians for your *clients* in connection with advisory services you provide to *clients*?

### **SECTION 9.C. Independent Public Accountant**

No Information Filed

**Item 10 Control Persons**

In this Item, we ask you to identify every *person* that, directly or indirectly, *controls* you.

If you are submitting an initial application or report, you must complete Schedule A and Schedule B. Schedule A asks for information about your direct owners and executive officers. Schedule B asks for information about your indirect owners. If this is an amendment and you are updating information you reported on either Schedule A or Schedule B (or both) that you filed with your initial application or report, you must complete Schedule C.

**Yes No**

- A. Does any *person* not named in Item 1.A. or Schedules A, B, or C, directly or indirectly, *control* your management or policies? ☐ ☒

*If yes, complete Section 10.A. of Schedule D.*

- B. If any *person* named in Schedules A, B, or C or in Section 10.A. of Schedule D is a public reporting company under Sections 12 or 15(d) of the Securities Exchange Act of 1934, please complete Section 10.B. of Schedule D.

**SECTION 10.A. Control Persons**

No Information Filed

**SECTION 10.B. Control Person Public Reporting Companies**

No Information Filed

**Item 11 Disclosure Information**

In this Item, we ask for information about your disciplinary history and the disciplinary history of all your *advisory affiliates*. We use this information to determine whether to grant your application for registration, to decide whether to revoke your registration or to place limitations on your activities as an investment adviser, and to identify potential problem areas to focus on during our on-site examinations. One event may result in "yes" answers to more than one of the questions below.

Your *advisory affiliates* are: (1) all of your current *employees* (other than *employees* performing only clerical, administrative, support or similar functions); (2) all of your officers, partners, or directors (or any *person* performing similar functions); and (3) all *persons* directly or indirectly *controlling* you or *controlled* by you. If you are a "separately identifiable department or division" (SID) of a bank, see the Glossary of Terms to determine who your *advisory affiliates* are.

*If you are registered or registering with the SEC or if you are an exempt reporting adviser, you may limit your disclosure of any event listed in Item 11 to ten years following the date of the event. If you are registered or registering with a state, you must respond to the questions as posed; you may, therefore, limit your disclosure to ten years following the date of an event only in responding to Items 11.A.(1), 11.A.(2), 11.B.(1), 11.B.(2), 11.D.(4), and 11.H.(1)(a). For purposes of calculating this ten-year period, the date of an event is the date the final order, judgment, or decree was entered, or the date any rights of appeal from preliminary orders, judgments, or decrees lapsed.*

You must complete the appropriate Disclosure Reporting Page ("DRP") for "yes" answers to the questions in this Item 11.

	<b>Yes No</b>
Do any of the events below involve you or any of your <i>supervised persons</i> ?	<input type="radio"/> <input checked="" type="radio"/>

For "yes" answers to the following questions, complete a Criminal Action DRP:

A. In the past ten years, have you or any <i>advisory affiliate</i> :	<b>Yes No</b>
(1) been convicted of or pled guilty or nolo contendere ("no contest") in a domestic, foreign, or military court to any <i>felony</i> ?	<input type="radio"/> <input checked="" type="radio"/>
(2) been <i>charged</i> with any <i>felony</i> ?	<input type="radio"/> <input checked="" type="radio"/>

*If you are registered or registering with the SEC, or if you are reporting as an exempt reporting adviser, you may limit your response to Item 11.A.(2) to charges that are currently pending.*

B. In the past ten years, have you or any <i>advisory affiliate</i> :	<b>Yes No</b>
(1) been convicted of or pled guilty or nolo contendere ("no contest") in a domestic, foreign, or military court to a <i>misdemeanor</i> involving: investments or an <i>investment-related</i> business, or any fraud, false statements, or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, extortion, or a conspiracy to commit any of these offenses?	<input type="radio"/> <input checked="" type="radio"/>
(2) been <i>charged</i> with a <i>misdemeanor</i> listed in Item 11.B.(1)?	<input type="radio"/> <input checked="" type="radio"/>

*If you are registered or registering with the SEC, or if you are reporting as an exempt reporting adviser, you may limit your response to Item 11.B.(2) to charges that are currently pending.*

For "yes" answers to the following questions, complete a Regulatory Action DRP:

C. Has the SEC or the Commodity Futures Trading Commission (CFTC) ever:	<b>Yes No</b>
---	---------------

- (1) *found* you or any *advisory affiliate* to have made a false statement or omission? ☐ ☒
- (2) *found* you or any *advisory affiliate* to have been *involved* in a violation of SEC or CFTC regulations or statutes? ☐ ☒
- (3) *found* you or any *advisory affiliate* to have been a cause of an *investment-related* business having its authorization to do business denied, suspended, revoked, or restricted? ☐ ☒
- (4) entered an *order* against you or any *advisory affiliate* in connection with *investment-related* activity? ☐ ☒
- (5) Imposed a civil money penalty on you or any *advisory affiliate*, or *ordered* you or any *advisory affiliate* to cease and desist from any activity? ☐ ☒

D. Has any other federal regulatory agency, any state regulatory agency, or any *foreign financial regulatory authority*:

- (1) ever *found* you or any *advisory affiliate* to have made a false statement or omission, or been dishonest, unfair, or unethical? ☐ ☒
- (2) ever *found* you or any *advisory affiliate* to have been *involved* in a violation of *investment-related* regulations or statutes? ☐ ☒
- (3) ever *found* you or any *advisory affiliate* to have been a cause of an *investment-related* business having its authorization to do business denied, suspended, revoked, or restricted? ☐ ☒
- (4) in the past ten years, entered an *order* against you or any *advisory affiliate* in connection with an *investment-related* activity? ☐ ☒
- (5) ever denied, suspended, or revoked your or any *advisory affiliate's* registration or license, or otherwise prevented you or any *advisory affiliate*, by *order*, from associating with an *investment-related* business or restricted your or any *advisory affiliate's* activity? ☐ ☒

E. Has any *self-regulatory organization* or commodities exchange ever:

- (1) *found* you or any *advisory affiliate* to have made a false statement or omission? ☐ ☒
- (2) *found* you or any *advisory affiliate* to have been *involved* in a violation of its rules (other than a violation designated as a "*minor rule violation*" under a plan approved by the SEC)? ☐ ☒
- (3) *found* you or any *advisory affiliate* to have been the cause of an *investment-related* business having its authorization to do business denied, suspended, revoked, or restricted? ☐ ☒
- (4) disciplined you or any *advisory affiliate* by expelling or suspending you or the *advisory affiliate* from membership, barring or suspending you or the *advisory affiliate* from association with other members, or otherwise restricting your or the *advisory affiliate's* activities? ☐ ☒

F. Has an authorization to act as an attorney, accountant, or federal contractor granted to you or any *advisory affiliate* ever been revoked or suspended? ☐ ☒

G. Are you or any *advisory affiliate* now the subject of any regulatory proceeding that could result in a "yes" answer to any part of Item 11.C., 11.D., or 11.E.? ☐ ☒

For "yes" answers to the following questions, complete a Civil Judicial Action DRP:

H. (1) Has any domestic or foreign court: **Yes No**



- (a) in the past ten years, enjoined you or any *advisory affiliate* in connection with any *investment-related* activity? ☐ ☒
- (b) ever *found* that you or any *advisory affiliate* were *involved* in a violation of *investment-related* statutes or regulations? ☐ ☒
- (c) ever dismissed, pursuant to a settlement agreement, an *investment-related* civil action brought against you or any *advisory affiliate* by a state or *foreign financial regulatory authority*? ☐ ☒
- (2) Are you or any *advisory affiliate* now the subject of any civil proceeding that could result in a "yes" answer to any part of Item 11.H.(1)? ☐ ☒

**Item 12 Small Businesses**

The SEC is required by the Regulatory Flexibility Act to consider the effect of its regulations on small entities. In order to do this, we need to determine whether you meet the definition of "small business" or "small organization" under rule 0-7.

Answer this Item 12 only if you are registered or registering with the SEC **and** you indicated in response to Item 5.F.(2)(c) that you have regulatory assets under management of less than \$25 million. You are not required to answer this Item 12 if you are filing for initial registration as a state adviser, amending a current state registration, or switching from SEC to state registration.

For purposes of this Item 12 only:

- Total Assets refers to the total assets of a firm, rather than the assets managed on behalf of *clients*. In determining your or another *person's* total assets, you may use the total assets shown on a current balance sheet (but use total assets reported on a consolidated balance sheet with subsidiaries included, if that amount is larger).
- *Control* means the power to direct or cause the direction of the management or policies of a *person*, whether through ownership of securities, by contract, or otherwise. Any *person* that directly or indirectly has the right to vote 25 percent or more of the voting securities, or is entitled to 25 percent or more of the profits, of another *person* is presumed to *control* the other *person*.

	<b>Yes</b>	<b>No</b>
A. Did you have total assets of \$5 million or more on the last day of your most recent fiscal year?	<input type="radio"/>	<input checked="" type="radio"/>
<i>If "yes," you do not need to answer Items 12.B. and 12.C.</i>		
B. Do you:		
(1) <i>control</i> another investment adviser that had regulatory assets under management (calculated in response to Item 5.F.(2)(c) of Form ADV) of \$25 million or more on the last day of its most recent fiscal year?	<input type="radio"/>	<input checked="" type="radio"/>
(2) <i>control</i> another <i>person</i> (other than a natural person) that had total assets of \$5 million or more on the last day of its most recent fiscal year?	<input type="radio"/>	<input checked="" type="radio"/>
C. Are you:		
(1) <i>controlled</i> by or under common <i>control</i> with another investment adviser that had regulatory assets under management (calculated in response to Item 5.F.(2)(c) of Form ADV) of \$25 million or more on the last day of its most recent fiscal year?	<input type="radio"/>	<input checked="" type="radio"/>
(2) <i>controlled</i> by or under common <i>control</i> with another <i>person</i> (other than a natural person) that had total assets of \$5 million or more on the last day of its most recent fiscal year?	<input type="radio"/>	<input checked="" type="radio"/>

**Schedule A****Direct Owners and Executive Officers**

1. Complete Schedule A only if you are submitting an initial application or report. Schedule A asks for information about your direct owners and executive officers. Use Schedule C to amend this information.
2. Direct Owners and Executive Officers. List below the names of:
  - (a) each Chief Executive Officer, Chief Financial Officer, Chief Operations Officer, Chief Legal Officer, Chief Compliance Officer (Chief Compliance Officer is required if you are registered or applying for registration and cannot be more than one individual), director, and any other individuals with similar status or functions;
  - (b) if you are organized as a corporation, each shareholder that is a direct owner of 5% or more of a class of your voting securities, unless you are a public reporting company (a company subject to Section 12 or 15(d) of the Exchange Act);  
 Direct owners include any *person* that owns, beneficially owns, has the right to vote, or has the power to sell or direct the sale of, 5% or more of a class of your voting securities. For purposes of this Schedule, a *person* beneficially owns any securities: (i) owned by his/her child, stepchild, grandchild, parent, stepparent, grandparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law, sharing the same residence; or (ii) that he/she has the right to acquire, within 60 days, through the exercise of any option, warrant, or right to purchase the security.
  - (c) if you are organized as a partnership, all general partners and those limited and special partners that have the right to receive upon dissolution, or have contributed, 5% or more of your capital;
  - (d) in the case of a trust that directly owns 5% or more of a class of your voting securities, or that has the right to receive upon dissolution, or has contributed, 5% or more of your capital, the trust and each trustee; and
  - (e) if you are organized as a limited liability company ("LLC"), (i) those members that have the right to receive upon dissolution, or have contributed, 5% or more of your capital, and (ii) if managed by elected managers, all elected managers.
3. Do you have any indirect owners to be reported on Schedule B? ☐ Yes ☒ No
4. In the DE/FE/I column below, enter "DE" if the owner is a domestic entity, "FE" if the owner is an entity incorporated or domiciled in a foreign country, or "I" if the owner or executive officer is an individual.
5. Complete the Title or Status column by entering board/management titles; status as partner, trustee, sole proprietor, elected manager, shareholder, or member; and for shareholders or members, the class of securities owned (if more than one is issued).
6. Ownership codes are:
 

NA - less than 5%	B - 10% but less than 25%	D - 50% but less than 75%	
A - 5% but less than 10%	C - 25% but less than 50%	E - 75% or more	
7. (a) In the *Control Person* column, enter "Yes" if the *person* has *control* as defined in the Glossary of Terms to Form ADV, and enter "No" if the *person* does not have *control*. Note that under this definition, most executive officers and all 25% owners, general partners, elected managers, and trustees are *control persons*.  
 (b) In the PR column, enter "PR" if the owner is a public reporting company under Sections 12 or 15(d) of the Exchange Act.  
 (c) Complete each column.

FULL LEGAL NAME (Individuals: Last Name, First Name, Middle Name)	DE/FE/I	Status	Date Status Acquired MM/YYYY	Ownership Code	Control Person	PR	CRD No. If None: S.S. No. and Date of Birth, IRS Tax No. or Employer ID No.

DAVIDSON, JAYSON, ALLEN	I	MANAGING PARTNER, DIRECTOR OF CONSULTING SERVICES	08/2008	C	Y	N	2825116
PARKER, WARREN, DALE	I	MANAGING PARTNER, DIRECTOR OF ANALYTICAL SERVICES	08/2008	C	Y	N	5627542
LOESCHER, BRIAN, JAMES	I	MANAGING PARTNER, DIRECTOR OF RESEARCH	09/2009	B	Y	N	5767425
WORTHINGTONRUPPELT, MICHELLE, KAY	I	CHIEF COMPLIANCE OFFICER	05/2012	NA	Y	N	1287084

**Schedule B****Indirect Owners**

1. Complete Schedule B only if you are submitting an initial application. Schedule B asks for information about your indirect owners; you must first complete Schedule A, which asks for information about your direct owners. Use Schedule C to amend this information.
2. Indirect Owners. With respect to each owner listed on Schedule A (except individual owners), list below:
  - (a) in the case of an owner that is a corporation, each of its shareholders that beneficially owns, has the right to vote, or has the power to sell or direct the sale of, 25% or more of a class of a voting security of that corporation;

For purposes of this Schedule, a *person* beneficially owns any securities: (i) owned by his/her child, stepchild, grandchild, parent, stepparent, grandparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law, sharing the same residence; or (ii) that he/she has the right to acquire, within 60 days, through the exercise of any option, warrant, or right to purchase the security.

- (b) in the case of an owner that is a partnership, all general partners and those limited and special partners that have the right to receive upon dissolution, or have contributed, 25% or more of the partnership's capital;
  - (c) in the case of an owner that is a trust, the trust and each trustee; and
  - (d) in the case of an owner that is a limited liability company ("LLC"), (i) those members that have the right to receive upon dissolution, or have contributed, 25% or more of the LLC's capital, and (ii) if managed by elected managers, all elected managers.
3. Continue up the chain of ownership listing all 25% owners at each level. Once a public reporting company (a company subject to Sections 12 or 15(d) of the Exchange Act) is reached, no further ownership information need be given.
4. In the DE/FE/I column below, enter "DE" if the owner is a domestic entity, "FE" if the owner is an entity incorporated or domiciled in a foreign country, or "I" if the owner is an individual.
5. Complete the Status column by entering the owner's status as partner, trustee, elected manager, shareholder, or member; and for shareholders or members, the class of securities owned (if more than one is issued).
6. Ownership codes are:
 

C - 25% but less than 50%	E - 75% or more
D - 50% but less than 75%	F - Other (general partner, trustee, or elected manager)
7. (a) In the *Control Person* column, enter "Yes" if the *person* has *control* as defined in the Glossary of Terms to Form ADV, and enter "No" if the *person* does not have *control*. Note that under this definition, most executive officers and all 25% owners, general partners, elected managers, and trustees are *control persons*.
  - (b) In the PR column, enter "PR" if the owner is a public reporting company under Sections 12 or 15(d) of the Exchange Act.
  - (c) Complete each column.

No Information Filed

**Schedule D - Miscellaneous**

You may use the space below to explain a response to an Item or to provide any other information.

**DRP Pages****CRIMINAL DISCLOSURE REPORTING PAGE (ADV)**

No Information Filed

**REGULATORY ACTION DISCLOSURE REPORTING PAGE (ADV)**

No Information Filed

**CIVIL JUDICIAL ACTION DISCLOSURE REPORTING PAGE (ADV)**

No Information Filed

**Part 2****Exemption from brochure delivery requirements for SEC-registered advisers**

SEC rules exempt SEC-registered advisers from delivering a firm brochure to some kinds of clients. If these exemptions excuse you from delivering a brochure to *all* of your advisory clients, you do not have to prepare a brochure.

**Yes No**

Are you exempt from delivering a brochure to all of your clients under these rules?

☐ ☒

*If no, complete the ADV Part 2 filing below.*

Amend, retire or file new brochures:

Brochure ID	Brochure Name	Brochure Type(s)
143220	2015 FORM ADV PART 2A	High net worth individuals, Pension plans/profit sharing plans, Pension consulting, Foundations/charities, Government/municipal, Other institutional
254390	2016 FORM ADV PART 2	Individuals, High net worth individuals, Pension plans/profit sharing plans, Pension consulting, Foundations/charities, Government/municipal, Other institutional, Selection of Other Advisers/Solicitors



**Execution Pages****DOMESTIC INVESTMENT ADVISER EXECUTION PAGE**

You must complete the following Execution Page to Form ADV. This execution page must be signed and attached to your initial submission of Form ADV to the SEC and all amendments.

**Appointment of Agent for Service of Process**

By signing this Form ADV Execution Page, you, the undersigned adviser, irrevocably appoint the Secretary of State or other legally designated officer, of the state in which you maintain your *principal office and place of business* and any other state in which you are submitting a *notice filing*, as your agents to receive service, and agree that such *persons* may accept service on your behalf, of any notice, subpoena, summons, *order instituting proceedings*, demand for arbitration, or other process or papers, and you further agree that such service may be made by registered or certified mail, in any federal or state action, administrative *proceeding* or arbitration brought against you in any place subject to the jurisdiction of the United States, if the action, *proceeding*, or arbitration (a) arises out of any activity in connection with your investment advisory business that is subject to the jurisdiction of the United States, and (b) is *founded*, directly or indirectly, upon the provisions of: (i) the Securities Act of 1933, the Securities Exchange Act of 1934, the Trust Indenture Act of 1939, the Investment Company Act of 1940, or the Investment Advisers Act of 1940, or any rule or regulation under any of these acts, or (ii) the laws of the state in which you maintain your *principal office and place of business* or of any state in which you are submitting a *notice filing*.

**Signature**

I, the undersigned, sign this Form ADV on behalf of, and with the authority of, the investment adviser. The investment adviser and I both certify, under penalty of perjury under the laws of the United States of America, that the information and statements made in this ADV, including exhibits and any other information submitted, are true and correct, and that I am signing this Form ADV Execution Page as a free and voluntary act.

I certify that the adviser's books and records will be preserved and available for inspection as required by law. Finally, I authorize any *person* having *custody* or possession of these books and records to make them available to federal and state regulatory representatives.

Signature:

MICHELLE K WORTHINGTON-RUPPELT

Date: MM/DD/YYYY

03/29/2016

Printed Name:

MICHELLE K WORTHINGTON-RUPPELT

Title:

CHIEF COMPLIANCE OFFICER

Adviser CRD Number:

149122

**NON-RESIDENT INVESTMENT ADVISER EXECUTION PAGE**

You must complete the following Execution Page to Form ADV. This execution page must be signed and attached to your initial submission of Form ADV to the SEC and all amendments.

**1. Appointment of Agent for Service of Process**

By signing this Form ADV Execution Page, you, the undersigned adviser, irrevocably appoint each of the Secretary of the SEC, and the Secretary of State or other legally designated officer, of any other state in which you are submitting a *notice filing*, as your agents to receive service, and agree that such persons may accept service on your behalf, of any notice, subpoena, summons, *order* instituting *proceedings*, demand for arbitration, or other process or papers, and you further agree that such service may be made by registered or certified mail, in any federal or state action, administrative *proceeding* or arbitration brought against you in any place subject to the jurisdiction of the United States, if the action, *proceeding* or arbitration (a) arises out of any activity in connection with your investment advisory business that is subject to the jurisdiction of the United States, and (b) is *founded*, directly or indirectly, upon the provisions of: (i) the Securities Act of 1933, the Securities Exchange Act of 1934, the Trust Indenture Act of 1939, the Investment Company Act of 1940, or the Investment Advisers Act of 1940, or any rule or regulation under any of these acts, or (ii) the laws of any state in which you are submitting a *notice filing*.

## 2. Appointment and Consent: Effect on Partnerships

If you are organized as a partnership, this irrevocable power of attorney and consent to service of process will continue in effect if any partner withdraws from or is admitted to the partnership, provided that the admission or withdrawal does not create a new partnership. If the partnership dissolves, this irrevocable power of attorney and consent shall be in effect for any action brought against you or any of your former partners.

## 3. *Non-Resident* Investment Adviser Undertaking Regarding Books and Records

By signing this Form ADV, you also agree to provide, at your own expense, to the U.S. Securities and Exchange Commission at its principal office in Washington D.C., at any Regional or District Office of the Commission, or at any one of its offices in the United States, as specified by the Commission, correct, current, and complete copies of any or all records that you are required to maintain under Rule 204-2 under the Investment Advisers Act of 1940. This undertaking shall be binding upon you, your heirs, successors and assigns, and any *person* subject to your written irrevocable consents or powers of attorney or any of your general partners and *managing agents*.

### Signature

I, the undersigned, sign this Form ADV on behalf of, and with the authority of, the *non-resident* investment adviser. The investment adviser and I both certify, under penalty of perjury under the laws of the United States of America, that the information and statements made in this ADV, including exhibits and any other information submitted, are true and correct, and that I am signing this Form ADV Execution Page as a free and voluntary act.

I certify that the adviser's books and records will be preserved and available for inspection as required by law. Finally, I authorize any *person* having *custody* or possession of these books and records to make them available to federal and state regulatory representatives.

Signature:

Date: MM/DD/YYYY

Printed Name:

Title:

Adviser CRD Number:

149122

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**Form ADV Part 2A, Firm Brochure**

**Hyas Group, LLC**

**108 NW 9th Avenue, Suite 203**

**Portland, OR 97209**

**971-634-1500**

**SEC File No. 801-69938**

**CRD Number 149122**

**March 29, 2016**

This brochure provides information about the qualifications and business practices of Hyas Group LLC ("Hyas" or "Adviser"). If you have any questions about the contents of this brochure, please contact us at 971-634-1500 or [mruppelt@hyasgroup.com](mailto:mruppelt@hyasgroup.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Hyas Group, LLC is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser.

Additional information about Hyas Group is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**Item 2 - Material Changes** Pursuant to SEC Rules, this Brochure is reviewed on an ongoing basis for necessary revisions. The changes made since our last annual version are:

Item 4, on page 2, we have updated the client assets under management.

Item 12, Brokerage Practices. On page 7, a section entitled "Directed Brokerage" has been added.

Item 15, Custody. On page 8, a sentence has been added regarding the client reviewing statements received directly from custodians.

Pursuant to SEC Rules, we will ensure that you receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year. We may further provide other ongoing disclosure information about material changes as necessary.

We will further provide you with a new Brochure as necessary based on changes or new information, at any time, without charge.

Currently, our Brochure may be requested by contacting Michelle Ruppelt, Chief Compliance Officer at 971-634-1508 or [mruppelt@hyasgroup.com](mailto:mruppelt@hyasgroup.com).

Additional information about Hyas is also available via the SEC's web site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC's web site also provides information about any persons affiliated with Hyas who are registered, or are required to be registered, as investment adviser representatives of Hyas.

## Item 3 -Table of Contents

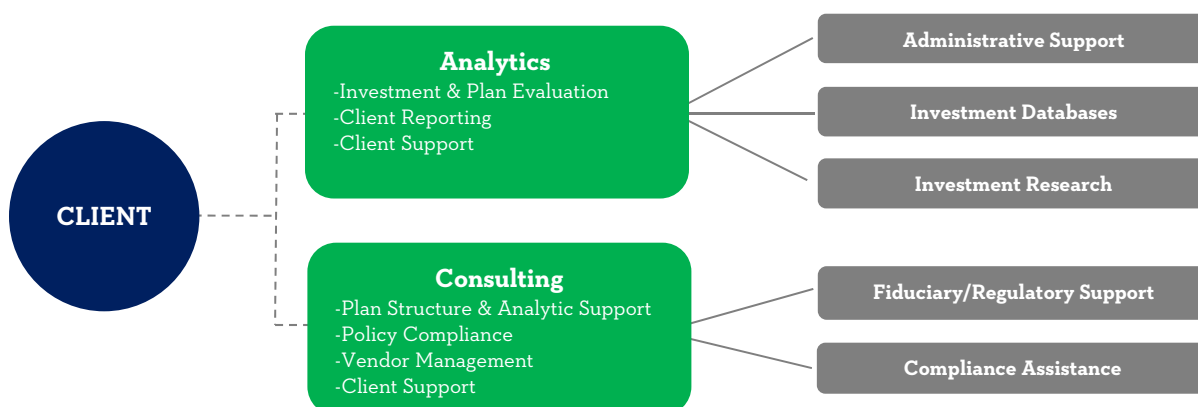
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#### Item 4 - Advisory Business

The Hyas Group is an independent investment consulting firm that provides services largely to institutional investors including defined contribution and defined benefit retirement plan clients along with endowments and foundations. Founded in 2008, the firm is structured as a Limited Liability Company (LLC) and is wholly owned by three senior consulting partners. The firm has only one line of business, the investment consulting business. The sole office location is in Portland, Oregon and there are no Hyas Group parents, subsidiaries or affiliates.

The Hyas Group partners have over 45 years of combined experience serving clients in an institutional investment consulting capacity and the firm has been providing investment consulting services since its founding. The Hyas Group offers a wealth of consulting experience to all major plan structures. Corporate, governmental and non-profit plan sponsors have all sought the analytical skills and fiduciary support services offered by the firm.

The overall organizational structure is summarized as follows:



#### Advisory Services and Fees

Hyas Group, LLC. ("Hyas Group") provides two primary types of services, described below, through its Investment Advisor Representatives (IARs). Our clientele includes committee directed plans such as Defined Benefit Pension Plans and OPEB Trusts, and participant direct plans such as 401, 403(b) and 457 Plans.

#### Investment Advisory Services

Hyas performs a broad array of investment advisory services for its clients. Not all clients choose to receive all potential services. The potential services include, but are not limited to, review of an existing investment policy statement or assistance in creating an investment policy statement, plan performance reporting, asset allocation modeling, analysis of current investment options and portfolio structure, portfolio rebalancing and investment manager searches.

We also offer discretionary portfolio management services. When utilizing this service, as with all clients, we work with them to create and/or review their investment policy statement, review their current asset allocation, investment manager allocation and manager performance. The ongoing manager selection and strategic rebalancing within the investment policy ranges are managed inhouse by the Hyas Group.

#### Advice and Consulting not Involving Securities

Many of the services that Hyas Group performs for clients are not investment advisory in nature. These services include, but are not limited to, consulting with investment committees, pension plan review and analysis, fiduciary education and training, plan fee and revenue analysis, vendor search projects, and reporting on investments and pension plan results. The specific services that Hyas Group performs for a client are described in a written agreement with each client.

Hyas Group currently advises approximately \$16.2 billion in client assets. Hyas Group has discretion over approximately \$17.5 million in client assets.

### **Item 5 - Fees and Compensation**

Hyas Group charges some clients a fee based upon the size or value of assets under the advice relationship which may include portfolios that are a part of overall assets. Assets will be valued on the last day calendar quarter. Quarterly fees are calculated and charged in arrears, after services have been performed. The actual rate would vary depending upon the scope of services the client requests Hyas Group to perform. This fee is described in the written agreement entered into between the client and Hyas Group.

The client acknowledges and agrees that fees payable to Hyas Group may if the client desires to do so, be automatically deducted from the client's account.

In cases when the advisory agreement does not span the full billing period, fees are prorated from the date of inception or through the date of termination. The Advisor or client may terminate the investment advisory agreement at any time with written notice to the advisor at their main office.

#### Fixed Fees

In some cases, Hyas Group will perform services for clients where the cost is set and agreed to with the client in advance of performing the service. The exact cost of the service would depend upon the complexity and scope of the service to be performed. Hyas Group, LLC enters into a written agreement that explains the services to be performed and an estimate of the cost to complete the service. Fees are normally paid upon delivery of the specific work product. If either party terminates the fixed fee engagement, the client is responsible to compensate Hyas Group for work done on a prorata basis, based upon the number of days the services was provided in the quarterly billing period.

#### Other Fees

The above-referenced fees charged by Hyas Group do not include brokerage commissions and other costs related to the execution of transactions on behalf of clients. Such costs will be paid by advisory



clients in addition to the fees discussed above. Clients are also responsible for asset management fees and plan or account administration fees paid to custodians and broker-dealers. These fees are disclosed in the disclosure document or agreements in the custodian's account opening documents. Clients are also responsible for margin interest, wire transfer fees, safe keeping fees and other special services provided by the broker-dealer, transfer agent, or custodian and disclosed by the custodian at the time the client opens their account(s) or when service is requested.

For some clients, we recommend investment vehicles such as Limited Partnerships or Limited Liability Companies (e.g. real estate, hedge funds). These investments have fees such as annual management fees that the client is also responsible for. Each investment manager states their various fees within the subscription documents and/or offering memorandum.

#### Investment Company Fees

Investment company funds that are held by clients will bear their own internal transaction and execution costs, as well as directly compensate their investment managers along with internal administrative services. Some funds pay 12b-1 fees, Distribution Fees, and or Shareholder Service Fees to broker-dealers that offer such funds to their clients. These charges affect the Net Asset Value of these fund shares and are thus indirectly borne by fund shareholders such as a Hyas Group client. Some fund companies have imposed a redemption fee. A redemption fee is another type of fee that some funds charge their shareholders when shares are sold or redeemed within a short period of time from the purchase of the fund shares. Although a redemption fee is deducted from redemption proceeds just like a deferred sales load, it is not considered to be a sales load. Unlike a sales load, which is generally used to compensate brokers, a redemption fee is typically used to defray fund costs associated with a shareholder's redemption and is paid directly to the fund, not to a broker. The SEC generally limits redemption fees to 2%. In most cases, the funds will use the "first-in, first-out" (FIFO) method to determine the holding period. Under this method, the date of the redemption will be compared with the earliest purchase date of shares held in the account.

A complete explanation of these charges is contained in the prospectus and "Statement of Additional Information" for each investment company fund. You can get a prospectus from the investment company (through its website or by telephone or mail). Your financial professional or broker can also provide you with a copy.

#### **Item 6 - Performance-Based Fees**

It is the Company's policy not to charge clients based upon the performance of their accounts except where the growth in an account will affect an asset based fee (size of the account).

#### **Item 7 - Types of Clients**

The Hyas Group provides investment consulting services to municipalities, corporate pension and profit-sharing plans, charitable institutions, foundations, endowments, and high net worth individuals.

## **Item 8 - Methods of Analysis, Investment Strategies and Risk of Loss**

The investment review process at the Hyas Group is continuous and ongoing. Our team reviews mutual funds and other investment vehicles on both a predetermined and impromptu basis. We rely on a number of databases to house our investment return data as well as attribution systems. The databases include mutual funds, commingled funds, insurance products, separate accounts as well as alternative products such as hedge funds.

Our reporting capabilities, analytics resources and manager contacts generally include the following resource tools and data bases:

- Morningstar Direct - which provides extensive mutual fund or separate account data including peer group, performance and holdings information
- Encorr (Ibbotson) proprietary allocation program - which provides asset allocation modeling software for the assessment of pre-mixed portfolios.
- Institutional data-base subscriptions - Barclays Capital (formerly Lehman Brothers), Standard & Poors, Russell and MSCI/Barra all provide data for the compilation of our reports.
- InvestorForce - which provides manager and total plan universe information, index information and software for report production.

These databases can be used for screening a multitude of investment products. The databases make more than 100 screening factors available. Statistical and regression analysis is also performed using the databases. This allows us to analyze portfolios over multiple time periods versus relative benchmarks as well as compare investments on a side-by-side basis. In this quantitative review, we also compare risk and value-add statistics such as standard deviation, alpha, beta and up/down market capture. All of these tools, when taken in concert with an assessment of underlying securities holdings and sector allocations, allow us to feel confident in the total evaluation of the products in which our clients invest.

Our research process is not limited to databases alone. We also provide qualitative assessments of the investment products we recommend to our clients by meeting with investment managers face-to-face and conducting regular conference calls with the individuals responsible for managing and servicing the specific investment vehicles we are evaluating. We feel strongly that active investment performance is driven by skilled people and, therefore, we analyze the manager's philosophy, process and personnel in order to have a firm grasp on the skill sets offered by different managers.

The conversations will typically involve

- 1) a discussion of the dynamics of the investment team,
- 2) strategy,
- 3) firm structure,
- 4) portfolio construction and
- 5) performance attributions.

Often these meetings help facilitate frank discussions with the portfolio managers which help us provide the most accurate and up-to-date information available.

While some risk is inherent in any investment, we believe that it is imperative that risk be managed appropriately. Thorough review of volatility and risk adjusted return can also add value when properly considered. For each of our client's available investment options we'll analyze risk-related measures such as beta, standard deviation, alpha, up-market capture and down-market capture. It is our expectation that all funded products provide a competitive risk adjusted return. Therefore each product is reviewed with that expectation in mind.

#### Investment Strategy

At the outset of our working with a Client, we review a Client's risk profile, portfolio goals and/or requirements (such as income), which results in an Investment Policy Statement (either newly crafted or a review and possible revision of an existing IPS.) As part of that process, we analyze the Asset Allocation of the portfolio, and propose any recommended changes. We then work on implementation of their IPS/Asset Allocation Study, using research methodologies noted previously, identifying and funding managers which we believe to best meet the Client's IPS and risk profile.

#### Risk of Loss

Investing in securities involves risk of loss that you should be prepared to bear. We do not represent or guarantee that our services or methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines. In addition, the investment managers and/or funds that we recommend are also subject to the same domestic and global economic variables, and therefore are subject to the same risk of loss. We cannot offer any guarantees or promises that your financial goals and objectives will be met. Past performance is in no way a guarantee of future performance.

### **Item 9 - Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of Hyas Group or the integrity of Hyas Group's management. Hyas Group has no information applicable to this Item.

### **Item 10 - Other Financial Industry Activities and Affiliations**

Hyas Group does not receive revenue from any money management firms, recordkeepers or other retirement plan service providers. Our only compensation is that which we receive directly from our clients.

Hyas Group and its representatives may provide services to clients that are not investment advisory in nature. These services may include reporting on investments and account or plan assets, consulting on noninvestment matters, education, vendor search projects, and performance review and evaluation.

## **Item 11 - Code of Ethics**

Hyas Group has adopted a Code of Ethics for all supervised persons of the firm describing its high standard of business conduct, and fiduciary duty to its clients. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. Our goal is to protect your interests at all times and to demonstrate our commitment to our fiduciary duties of honesty, good faith, and fair dealing with you. All of our supervised persons are expected to adhere strictly to these guidelines. Persons associated with our firm are required to report any violations of our Code of Ethics.

### Participation or Interest in Client Transaction

From time-to-time the interests of the principals and employees of Hyas Group may coincide with those of a client. Funds and/or individual securities may be bought, held or sold by a principal or employee of Hyas Group that is also recommended in a model portfolio or held by a client. If potential insider information is inadvertently provided or learned by a principal or employee, it is the policy of Hyas Group to strictly prohibit its use.

It is the policy of Hyas Group to permit the firm, its employees and IARs to buy, sell and hold the same investments that the IAR also recommend to clients. It is acknowledged and understood that Hyas Group performs investment services for various clients with varying investment goals and risk profiles. As such, the investment advice may differ between clients and investments made by Hyas Group IARs. Hyas Group has no obligation to recommend for purchase or sale an investment that Hyas Group, its principals, affiliates, employees or IARs may purchase, sell, or hold. When a decision is made to change an asset allocation recommendation, priority would always be given to the client's orders before those of a related or associated person to the advisor. Hyas Group has procedures dealing with insider trading, employee related accounts, "front running" and other issues that may present a potential conflict when such purchase, sales or recommendations are made. In general, these policies and procedures that are contained in the company's Code of Ethics and Compliance Manual, are intended to eliminate, to the extent possible, the adverse effect on clients of any such potential conflicts of interest.

### Pay to Play

In response to the SEC's rule regarding political contributions to candidates and possible pay to play scenarios, it is our policy to allow only up to \$350 per election in personal contributions to candidates within one's voting district and \$150 per election to an elected official or candidate for whom the individual is not entitled to vote. These are the exceptions for de minimis contributions as defined by the SEC.

Hyas Group will provide a copy of its Code of Ethics to clients or prospective clients upon their request.

## **Item 12 - Brokerage Practices**

Hyas Group does not have any business interests with any brokerage firms nor do they receive any soft dollars or other compensation for recommending any brokerage firms, custodians, mutual funds, or investment managers.

For those accounts over which we have discretion, having the client assets held at one custodian, whether bank, trust company, or brokerage firm, enables us to manage the portfolio, including review, place trades, compile performance reports, and answer client questions, in as efficient manner as possible. If the client doesn't currently have a custodian, we may recommend a custodian, one possible option being Charles Schwab. But as stated above, we receive no compensation for recommending Charles Schwab or any other custodian. Schwab has been recommended as they provide an extensive mutual fund platform and nearly all our investment managers have trading agreements with Schwab. In addition, they have a robust internet presence, including trading software, custodial information easily accessed by Hyas Group and the clients, a strong support staff assisting with trading, client and technology servicing questions and issues.

#### Directed Brokerage

If a client has an established relationship with a custodian, we will place trades with that custodian, which is considered directed brokerage. This directed brokerage arrangement potentially (1) limits Hyas Group's ability to seek best execution and negotiate commissions; (2) limits the clients' ability to participate in aggregated trades; and, as a result, (3) may cost the client more money.

#### Trade Allocation

Hyas Group has a Trade Allocation Policy, which addresses allocating securities, including IPOs and Private Placements, and/or recommendations among clients. The formula must provide a fair and equitable basis for allocations and be consistently applied to all clients. Prior to the allocation of securities by Hyas, we will determine if a client's investment objectives and suitability requirements qualify the client for participation in purchasing a specific security, IPO or Private Placement. If the client qualifies for participation in the purchase of a specific security, IPO or Private Placement, Hyas Group will allocate a certain percentage of the total allocation to each qualified client based upon the following formula:

The formula is based upon dividing the total shares or amount allocated by the total number of qualified clients and their assets under management. For example, if the total allocation to Hyas Group is 1,000,000 shares and Hyas Group has ten (10) clients that qualify for a percentage of the allocation and each client has a total of \$1,000,000 under management with Hyas Group, each client will receive an allocation of 100,000 shares.

Note that Hyas Group may exclude certain clients from the allocation if the trade allocation would be "de minimus" or so small as not to be in the client's best interest.

#### **Item 13 - Review of Accounts**

Performance reports are produced for the client either on a quarterly, semi-annual, or annual basis with the nature and format of the review process matched to the type of plan (Defined Contribution, Defined Benefit, Endowment, etc.) and the unique needs of each client. Frequency of reports is addressed in each client's agreement with Hyas Group. Broadly defined, the process covers a review of the plan's asset allocation or plan construction, individual investment manager and total account performance reviews, plan utilization rates and participant account balances, and review of investment costs. Client

reports are designed to clearly reflect manager and account performance relative to the client's specific investment policy. Performance reports contain a comprehensive evaluation of the plan's investment options relative to investment policy. Color graphics illustrates manager diversification, historical asset allocation and performance versus the relevant indices over differing lengths of time. A statistical section provides an analysis of manager characteristics including sector/quality exposure and market weights. Interpretive text shows how these characteristics impact risk and return and what that means to the investment program.

Our reports include global market commentaries at the end of each calendar quarter. These commentaries provide a broad economic and market overview as well as specific fixed income, equity and international risk and return insight.

Further, the Hyas Group closely monitors plan utilization rates and average participant account balances to assess each plan's investment and structural effectiveness. We provide comparative statistics for similar sized plans as well as a calculated, overall plan and asset class returns for each of our client accounts each quarter. This plan return allows for further comparison of the equity and fixed income participant investment weightings and demonstrates the offered investment options compare, on the whole, to those offered by other clients and industry averages.

The client performance reports are compiled by various analytical staff members of the firm with final reviews completed by Jayson Davidson, Managing Director of Consulting Services and Senior Consultant; Dale Parker, Director of Analytical Services; Brian Loescher, Director of Research; Greg Settle, Senior Consultant; Scott Faris, Senior Consultant; and Vincent Galindo, Senior Consultant.

#### **Item 14 - Client Referrals and Other Compensation**

Hyas Group does not compensate any client or person for client referrals.

#### **Item 15 - Custody**

Hyas Group does not maintain custody of client funds or securities. Client assets are held by mutual fund companies, banks, trust companies, brokerage firms, or other custodial institutions.

Client is urged to compare the statements it receives from the custodian with the reports it receives from Hyas.

#### **Item 16 - Investment Discretion**

Hyas Group has received discretionary authority from a few clients at the outset of the advisory relationship to select the identity and amount of securities to be bought or sold. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client account.

When selecting securities and determining amounts, Hyas Group observes the investment policies, limitations and restrictions of the clients for which it advises. For registered investment companies,

Hyas Group's authority to trade securities may also be limited by certain federal securities and tax laws that require diversifications of investments and favor the holding of investments once made.

Investment guidelines and restrictions must be provided to Hyas Group in writing.

### **Item 17 - Voting Client Securities**

Hyas Group provides investment management services to clients that include, among others, corporate and public pension plans, foundations, and endowments. Unless otherwise stated in the client agreement, Hyas does not vote proxies for clients. For those clients over which Hyas has discretion and therefore has proxy voting authority, Hyas considers proxy voting an important part of those management services. As such, Hyas seeks to vote the proxies of mutual funds and/or securities held by clients in the best interest of those clients.

Hyas believes the best interests of clients are served by voting proxies in a way that maximizes long term shareholder value. Therefore, the investment professionals responsible for voting proxies have the discretion to make the best decision given the individual facts and circumstances of each issue. Proxy issues are evaluated on their merits and considered in the context of the professional's knowledge of a mutual fund or company, its current management, management's past record and Hyas's general position on the issue.

As the management of a portfolio company is responsible for its day-to-day operations, Hyas believes that management, subject to the oversight of the relevant board of directors, is often in the best position to make decisions that serve the interest of shareholders. However, Hyas votes against management on proposals where it perceives a conflict may exist between management and client interests, such as those that may insulate management or diminish shareholder rights. Hyas Group also votes against management in other cases where the facts and circumstances indicate that the proposal is not in its clients' best interests.

Upon client request, Hyas will provide reports of its proxy voting record as it relates to the securities held in the client's account(s) for which Hyas has proxy voting authority.

### **Item 18 - Financial Information**

Hyas Group does not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance.

Additionally, we must disclose any financial condition that could impair our ability to fulfill our agreement with our clients. Hyas Group has no such financial condition to disclose. Neither have we even been the subject of any bankruptcy proceeding.

## **Additional Information**

### Privacy Statement

We, like other professionals who advise on personal financial matters are required by federal law to inform their clients of their policies regarding the privacy of client information.

In the course of providing our clients with certain advice, we may receive nonpublic personal financial information from our clients, their accountants and other representatives, such as financial statements, tax returns and other personal information. All nonpublic personal information that we receive regarding our clients or former clients is held in strict confidence in accordance with our professional obligations, and is not released to people outside the Firm, except with your consent or as required by law or to explain our actions to professional organizations that we are members of. We may share certain information with third parties who assist us in providing our services to your (such as administrative and client service functions) or marketing services, as permitted by law, subject to the obligation of these third parties not to use or disclose such information for any other purpose.

We retain records relating to professional services that we provide so that we are better able to assist you with your professional needs and, in some cases to comply with professional guidelines. In order to guard your nonpublic personal information from unauthorized disclosure, we maintain physical, electronic and procedural safeguards.

If your financial situation, goals or risk tolerance has changed since you last notified us in writing, please contact us immediately.





**Form ADV Part 2B,  
Brochure Supplement**

**Hyas Group, LLC**  
108 NW 9th Avenue, Suite 203  
Portland, OR 97209  
971-634-1500  
SEC File No. 801-69938  
CRD Number 149122

**September 1, 2016**

This brochure provides information about the qualifications and business practices of Hyas Group LLC ("Hyas" or "Adviser".) If you have any questions about the contents of this brochure, please contact us at 971-634-1500 or [mruppelt@hyasgroup.com](mailto:mruppelt@hyasgroup.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Hyas Group, LLC is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser.

Additional information about Hyas Group is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Item 1

**Jayson Allen Davidson**

This Brochure Supplement provides information about Jayson Davidson that supplements the Hyas Group, LLC Brochure. You should have received a copy of that Brochure. Please contact Michele Ruppelt, Chief Compliance Officer, if you did not receive Hyas Group's Brochure or if you have any questions about the contents of this supplement.

Additional information about Jayson Davidson is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Item 2 - Educational Background and Business Experience

Born: 1973

Education after High School: Bachelor of Science, University of California at Berkeley, 1996

Business background:

2008 - present, Managing Partner and Director of Consulting Services at Hyas Group, LLC.

2002 - 2008, Senior Investment Consultant at Arnerich Massena & Associates.

1997 - 2002, Consultant at ICMA-RC

Professional Designations: Mr. Davidson has earned the right to use the Chartered Financial Analyst (CFA) designation. Additionally, he is a member of the Charter Financial Analyst (CFA) Institute and the National Association of Government Defined Contribution Administrators (NAGDCA).

Item 3- Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice.

No information is applicable to this Item.

Item 4- Other Business Activities

No information is applicable to this Item.

Item 5- Additional Compensation

No information is applicable to this Item.

Item 6 - Supervision

Mr. Davidson's work, including investment advice and interaction with clients is monitored periodically by review of his client's performance reports, written correspondence and e-mail, by the Chief Compliance Officer, Michelle Ruppelt.

Item 1

**Brian James Loescher**

This Brochure Supplement provides information about Brian Loescher that supplements the Hyas Group, LLC Brochure. You should have received a copy of that Brochure. Please contact Michelle Ruppelt, Chief Compliance Officer if you did not receive Hyas Group's Brochure or if you have any questions about the contents of this supplement.

Additional information about Brian Loescher is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Item 2 - Educational Background and Business Experience

Born: 1969

Education after High School: Bachelor of Science, Finance, University of Nebraska, 1993

Business background:

2009 - present, Managing Partner, CIO and Director of Research at Hyas Group, LLC.

1999 - 2009, Director of Research at Arnerich Massena & Associates.

1997 - 1999, Research Analyst at R.V. Kuhns & Associates

1995 - 1997, Performance Systems specialist, West One Trust Co.

Professional Designations: Mr. Loescher has earned the right to use the Chartered Financial Analyst (CFA) designation and is a member of the Portland Society of Financial Analysts, Portland Alternative Investment Association and the CFA Institute.

Item 3- Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice.

No information is applicable to this Item.

Item 4- Other Business Activities

No information is applicable to this Item.

Item 5- Additional Compensation

No information is applicable to this Item.

Item 6 - Supervision

Mr. Loescher's work, including investment advice and interaction with clients is monitored periodically by review of his client's performance reports, written correspondence and e-mail, by the Chief Compliance Officer, Michelle Ruppelt, and Director of Consulting Services, Jayson Davidson.

Item 1

**Gregory Thomas Settle**

This Brochure Supplement provides information about Greg Settle that supplements the Hyas Group, LLC Brochure. You should have received a copy of that Brochure. Please contact Michelle Ruppelt, Chief Compliance Officer if you did not receive Hyas Group's Brochure or if you have any questions about the contents of this supplement.

Additional information about Greg Settle is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Item 2 - Educational Background and Business Experience

Born: 1957

Education after High School: Bachelor of Science, Portland State University, 1983

Business background:

2010 - present, Investment Consultant at Hyas Group, LLC.

2008 - 2010, Consultant at Aon Investment Consulting

2007 - 2007, Consultant at Northwest Capital Management

1992 - 2007, Consultant (1992-1996) and Vice President (1997-2007) at ICMA RC

1988 - 1992, Director, Deferred Compensation Plan Services, The New England Co.

1984 - 1988, Representative, The Holden Group/Security First Group

Professional Designations: Mr. Settle has passed the Chartered Financial Analyst (CFA) Exam 1 (of 3). Additionally he is a member of National Association of Government Defined Contribution Administrators (NAGDCA). He currently holds the Ser. 65 license and has passed the NASD Series 7, 63 and 28 exams, though those designations were allowed to lapse when Mr. Settle entered the consulting industry in 2007.

Item 3- Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice.

No information is applicable to this Item.

Item 4- Other Business Activities

No information is applicable to this Item.

Item 5- Additional Compensation

No information is applicable to this Item.

Item 6 - Supervision

Mr. Settle's work, including investment advice and interaction with clients is monitored periodically by review of his client's performance reports, written correspondence and e-mail, by the Chief Compliance Officer, Michelle Ruppelt, and Director of Consulting Services, Jayson Davidson.

Item 1

**Scott Allen Faris**

This Brochure Supplement provides information about Scott Faris that supplements the Hyas Group, LLC Brochure. You should have received a copy of that Brochure. Please contact Michelle Ruppelt, Chief Compliance Officer if you did not receive Hyas Group's Brochure or if you have any questions about the contents of this supplement.

Additional information about Scott Faris is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Item 2 - Educational Background and Business Experience

Born: 1953

Education after High School: Bachelor of Science, Montana State University, 1977  
J.D., William Mitchell College of Law, 1988

Business background:

2011 - present, Investment Consultant at Hyas Group, LLC.

2008 - 2011, Consultant, Towers Watson Investment Services

2005 - 2008, Consultant, Principal, Northwest Capital Management

1997 - 2005, Consultant, Arnerich Massena & Associates

1990 - 1997, Associate, William M. Mercer

Professional Designations: Mr. Faris has earned the right to use the Chartered Financial Analyst (CFA) designation. Additionally, he is a member of the Charter Financial Analyst (CFA) Institute and the National Association of Government Defined Contribution Administrators (NAGDCA).

Item 3- Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice.

No information is applicable to this Item.

Item 4- Other Business Activities

No information is applicable to this Item.

Item 5- Additional Compensation

No information is applicable to this Item.

Item 6 - Supervision

Mr. Faris' work, including investment advice and interaction with clients is monitored periodically by review of his client's performance reports, written correspondence and e-mail, by the Chief Compliance Officer, Michelle Ruppelt, and Director of Consulting Services, Jayson Davidson.

Item 1

**P. Vincent Galindo**

This Brochure Supplement provides information about Vincent Galindo that supplements the Hyas Group, LLC Brochure. You should have received a copy of that Brochure. Please contact Michelle Ruppelt, Chief Compliance Officer if you did not receive Hyas Group's Brochure or if you have any questions about the contents of this supplement.

Additional information about Vincent Galindo is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Item 2 - Educational Background and Business Experience

Born: 1970

Education after High School: Bachelor of Arts, University of California at Berkeley, 1995

Business background:

2014 - present, Investment Consultant at Hyas Group, LLC.

2005 - 2014, Investment Consultant, Arnerich Massena & Associates

2004 - 2005, Education Consultant, Arnerich Massena & Associates

2003 - 2004, Investor Information Coordinator, Oregon Division of Finance & Corporate Securities

2001 - 2003, Financial Advisor, Waddell & Reed Inc.

1999 - 2001, Analyst, Thomas Weisel Partners

Item 3- Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice.

No information is applicable to this Item.

Item 4- Other Business Activities

No information is applicable to this Item.

Item 5- Additional Compensation

No information is applicable to this Item.

Item 6 - Supervision

Mr. Galindo's work, including investment advice and interaction with clients is monitored periodically by review of his client's performance reports, written correspondence and e-mail, by the Chief Compliance Officer, Michelle Ruppelt, and Director of Consulting Services, Jayson Davidson.

Item 1

**Edward “Ned” Kenneth Taylor**

This Brochure Supplement provides information about Ned Taylor that supplements the Hyas Group, LLC Brochure. You should have received a copy of that Brochure. Please contact Michelle Ruppelt, Chief Compliance Officer if you did not receive Hyas Group’s Brochure or if you have any questions about the contents of this supplement.

Additional information about Ned Taylor is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Item 2 - Educational Background and Business Experience

Born: 1975

Education after High School: Bachelor of Arts, Willamette University, Salem, Oregon, 1997

Business background:

2016 - present, Investment Consultant at Hyas Group, LLC.

2010 - 2016, Investment Consultant, Standard Retirement Services

2008 - 2016, Registered Investment Advisor, Stancorp Investment Advisers

2006 - 2016, Registered Representative, Stancorp Equities

2001 - 2005, Financial Advisor, Columbia Financial Center

1998 - 2001, Retirement Plan Consultant, Executive Financial Group

Item 3- Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice.

No information is applicable to this Item.

Item 4- Other Business Activities

No information is applicable to this Item.

Item 5- Additional Compensation

No information is applicable to this Item.

Item 6 - Supervision

Mr. Taylor’s work, including investment advice and interaction with clients is monitored periodically by review of his client’s performance reports, written correspondence and e-mail, by the Chief Compliance Officer, Michelle Ruppelt, and Director of Consulting Services, Jayson Davidson.

Item 1

**Rasch Michael Cousineau**

This Brochure Supplement provides information about Rasch Cousineau that supplements the Hyas Group, LLC Brochure. You should have received a copy of that Brochure. Please contact Michelle Ruppelt, Chief Compliance Officer if you did not receive Hyas Group's Brochure or if you have any questions about the contents of this supplement.

Additional information about Rasch Cousineau is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Item 2 - Educational Background and Business Experience

Born: 1972

Education after High School: Bachelor of Arts, Marist College, Poughkeepsie, NY, 1994

Business background:

2016 - present, Investment Consultant at Hyas Group, LLC.

1997 - 2016, V.P., Institutional Sales, ICMA-RC Services

Item 3- Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice.

No information is applicable to this Item.

Item 4- Other Business Activities

No information is applicable to this Item.

Item 5- Additional Compensation

No information is applicable to this Item.

Item 6 - Supervision

Mr. Cousineau's work, including investment advice and interaction with clients is monitored periodically by review of his client's performance reports, written correspondence and e-mail, by the Chief Compliance Officer, Michelle Ruppelt, and Director of Consulting Services, Jayson Davidson.



Item 1

**Thomas Joseph Breaden**

This Brochure Supplement provides information about Tom Breaden that supplements the Hyas Group, LLC Brochure. You should have received a copy of that Brochure. Please contact Michelle Ruppelt, Chief Compliance Officer if you did not receive Hyas Group's Brochure or if you have any questions about the contents of this supplement.

Additional information about Tom Breaden is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Item 2 - Educational Background and Business Experience

Born: 1982

Education after High School:

Bachelor of Science in History and Economics, University of Oregon, Eugene, OR 2004

Master of Science in Economics, Portland State University, Portland, OR 2007

Business background:

2011 - present, Senior Analyst at Hyas Group, LLC.

2006 - 2011, Director of Research, Heintzberger Payne

Professional Designations: Mr. Breaden has earned the right to use the Chartered Financial Analyst (CFA) designation and is a member of the Portland Society of Financial Analysts, Portland Alternative Investment Association and the CFA Institute.

Item 3- Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice.

No information is applicable to this Item.

Item 4- Other Business Activities

No information is applicable to this Item.

Item 5- Additional Compensation

No information is applicable to this Item.

Item 6 - Supervision

Mr. Breaden's work, including investment advice and interaction with clients is monitored periodically by review of his client's performance reports, written correspondence and e-mail, by the Chief Compliance Officer, Michelle Ruppelt, and Director of Consulting Services, Jayson Davidson.



108 NW 9<sup>th</sup> Ave #203  
Portland, Ore. 97209  
(971) 634-1500

[hyasgroup.com](http://hyasgroup.com)

## Hyas Group, LLC Privacy Notice

We, like other professionals who advise on personal financial matters are required to inform our clients of our policies regarding the privacy of client information.

In the course of providing our clients with certain advice, we may receive nonpublic or personal financial information from our clients, their accountants and other representatives, such as financial statements, tax and income information and other financial information. All nonpublic or personal information that we receive regarding our clients or former clients is held in strict confidence in accordance with our professional obligations, and is not released to people outside the Firm, except with your consent or as required by law or to explain our actions to professional organizations that we are members of. We may share certain information with non-affiliated third parties who assist us in providing our services to you (such as administrative and client service functions) or marketing services, to advise you of our services, subject to the obligation of these third parties not to use or disclose such information for any other purpose.

We retain records relating to professional services that we provide so that we are better able to assist you with your professional needs and, in some cases, to comply with professional guidelines. In order to guard your nonpublic or personal information from unauthorized disclosure, we maintain physical, electronic and procedural safeguards.

July 26, 2017

**Sandy Brandt**  
Procurement Specialist IV  
**City of Austin Purchasing Office**  
PO Box 1088  
Austin, Texas 78767



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(971) 634-1500

[hyasgroup.com](http://hyasgroup.com)

**RE: Best and Final Offer of RFP 7400 SMB0305, Deferred Compensation Consultant**

**Dear Ms. Brandt,**

We appreciate the opportunity to respond to the Best and Final Offer Request and we are excited about the prospect of serving as the City's consultant.

Thank you for the opportunity to confirm our proposed fees. The Hyas Group seeks to deliver the highest service level in the industry. We utilize a fixed fee pricing model for clients. The fixed fee encompasses all services and frequency of reports/meetings requested by the City, including travel costs, and is capped by the contracted amount.

- Our fixed annual fee for the City for as needed consulting services is \$42,000 billed as described in the RFP response.
- Our annual fee for the SOW development is \$34,000.

We do not intend to bill our services on an hourly basis and our completion of the City's follow-up pricing form was for illustrative purposes only. 100% of our clients are billed under a fixed fee model, which we believe eliminates potential conflicts of generating unnecessary projects to increase revenue. All hourly, ongoing, and incidental services are included in our above referenced fees.

Furthermore, our commitment to exceeding your expectations is reflected in our proposed service guarantees that put dollars at risk should we not meet specific service levels for the City.

Total service guarantees include:

Lead consultant response time	≤ 24 hours	\$2,000 per occurrence
Back-up consultant response time	≤ 24 hours	\$2,000 per occurrence
Analytics response time	≤ 24 hours	\$2,000 per occurrence
Report Delivery	As contracted	\$2,000 per occurrence
Overall satisfaction review	≥Satisfactory	\$5,000 if necessary



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[hyasgroup.com](http://hyasgroup.com)

**We would like to take this final opportunity to restate some of the highlights of Hyas Group's offer to the City of Austin:**

- Industry leading governmental sector consulting firm
- Personable, responsive, professional consulting services
- Co-fiduciary to your Plan
- Robust RFP experience
- Deep understanding of the major record keeping systems nationwide
- Long-term and unbiased relationships with the City's current vendors
- Industry leader with Investment Policy/Fee Policy/Committee Governance
- Additional services include: fee analysis, investment policy review, fiduciary training, plan benchmarking, meeting document preparation and maintenance
- RFP development, distribution, and comprehensive analysis
- At the request of the Committee, can meet with additional City employees if/when necessary
- Competitive, fixed pricing and service guarantees

Thank you again for this opportunity. You may direct all inquiries to me at the contact information provided below. We hope to serve the City, your Committee, and your employees.

Sincerely,

Dale Parker  
Managing Partner